

Renovation Portfolio Construction Insurance – Escape of Water Risk Management Requirements

After Fire, Escape of Water poses the largest risk to insurers in terms of catastrophe losses. We therefore underwrite this risk significantly, and will frequently require that certain risk management steps are implemented.

We do recognise that water may be required on site. However, it is often possible to isolate the supply to one temporary outlet, allowing the bulk of the system to be fully drained. Where practicable, we would expect this, and might specifically require it.

Risks with a Building Sum Insured less than £750,000

We will, in the main, rely on the requirements of the standard wording. For example, the Plumbing Checking Requirement, which stipulates that plumbing and connected pipework must be pressure tested at the moment of 1st introduction of water. However, we do underwrite on a case by case basis, and may specifically impose further risk management requirements. For example:

- A system draining requirement where activity will cease on site for a period exceeding 1 month
- An increased excess where there have been previous escapes of water

If we are aware that the plumbing system is in a poor state, and there have been previous Escape of Water losses, we may exclude the peril altogether, but we generally prefer to manage the risk by way of higher excesses.

Risks with a Building Sum Insured in excess of £750,000

In certain cases, we may stipulate the installation of a leak suppression system, **but we will supply this at no additional cost.**

We will require that the system is installed within 14 days of delivery, and for this reason, it is very important that you obtain an on-site contact for us at quotation stage. We will need to arrange for delivery from our suppliers, and the on-site contact must be aware of the requirement to install.

We acknowledge that, in many circumstances, it will be inappropriate to require fitting within 14 days (for example, because the plumbing is being stripped and won't be re-installed until the latter stages of the project). In these cases, we will modify our requirement so it fits the realities of the risk.

Our supplier is Waterguard. Technical support is obtainable using the following contact details:

Customer Services Team – 01226 244 200



enquiries@waterguard.co.uk
www.waterguard.co.uk

Further information on supply and installation is available in our broker portal.