

## **Approved Inspectors – Guidelines for Schemes of Insurance**

### **Purpose**

1. This document provides guidelines on approval and operational processes for schemes of insurance to Approved Inspectors pursuant to section 47(6) of the Building Act 1984.
2. The guidance outlined here applies to insurance of Approved Inspectors carrying out building control functions in England.
3. From time to time the Ministry of Housing, Communities and Local Government (“**the Department**”) publishes a document ‘Schemes of Insurance for Approved Inspectors Pursuant to Section 47(6) of the Building Act 1984’ setting out criteria (“**the Criteria**”) to which the Secretary of State will have regard when considering the adequacy of schemes of insurance.
4. Both these Guidelines and the Criteria are for guidance and do not fetter the discretion of the Secretary of State in relation to approval of schemes of insurance.

### **Schemes of Insurance**

5. A scheme comprises the full terms and conditions of insurance offered, details of how company-specific terms will be applied, and the arrangements and/or names of insurers and underwriter, self-insurer or other person funding or financially guaranteeing insurance written under the scheme. A scheme may provide insurance cover to one or a number of Approved Inspectors.

### **Approval**

6. Schemes of insurance seeking approval by the Secretary of State must submit their full scheme details to the Department.
7. Early engagement with the Department during scheme development is encouraged.
8. Any changes to an approved scheme of insurance, including proposed changes to any terms or conditions of insurance offered under the scheme, and changes to the person providing, underwriting, funding or guaranteeing the insurance, must be sent for approval by the Secretary of State in advance of changes being applied.
9. In addition to obtaining approval from the Secretary of State, schemes must inform the body designated to maintain and publish records of new insurance, changes to insurance and decisions on insurance in a timely manner.
10. If a scheme provider wishes to withdraw its scheme it should write to the Department.

### **Approval process**

11. Under the Building Act 1984, the Secretary of State may approve any scheme that appears to him to secure the provision of adequate insurance cover, and the Criteria will be considered as part of the assessment of adequacy.
12. Those persons submitting schemes for approval will be expected to provide comprehensive scheme details, including the full terms and conditions, how the scheme will operate and details of insurers and re-insurance.

13. The Department may request information it deems necessary in assessing the scheme's adequacy. The Department may seek specialist advice specific for the assessment of the requirements for any scheme.

**How to submit schemes for approval**

14. Requests for approval, reapproval and notices of cancellation must be submitted to the Department at the following addresses:

Approved Inspectors Insurance

Address: Ministry of Housing, Communities and Local Government, 2 Marsham Street, London, SW1P 4DF

Tel: 030 3444 0000

Email: [GTApprovedInspectors@communities.gov.uk](mailto:GTApprovedInspectors@communities.gov.uk)

**Annual return by scheme operator**

15. Approved schemes of insurance should submit an annual return to the Department, and a proforma is attached as Annex A of this document. The reporting period for annual returns will run from January to December. The returns should be submitted to the Department by the end of each January, reporting on the previous calendar year. The annual returns should be addressed to: [GTApprovedInspectors@communities.gov.uk](mailto:GTApprovedInspectors@communities.gov.uk)

**Timelines**

16. The time taken to approve an application for an approved scheme will vary depending on the complexity of the scheme proposed, the evidence supporting adequacy, and the volume of other requests received. A decision on a full application which closely conforms to the Criteria may typically take 6-8 weeks from the time of the initial proposal submission.

**Annex A**

<b>Annual reporting – Schemes of Insurance for Approved Inspectors</b>	
Number of Approved Inspectors covered by the scheme	
Confirmation of scheme terms  (Please submit full approved scheme terms to the Department.)	
Confirmation of any deviation from scheme terms	
Confirmation that there have been no changes to the approved scheme of insurance since last report	