



QANW

HOMEOWNER GUIDE

Insurance Backed Guarantees

Valuable Consumer Protection

An Insurance Backed Guarantee (IBG) is an insurance policy – paid for by the installing contractor – which provides valuable protection for consumers when undertaking home improvement projects.

The purpose of an Insurance Backed Guarantee is to honour the terms of the written guarantee, originally issued by the installing contractor, where that contractor has ceased to trade as defined within the policy document and is therefore unable to satisfy claims against that guarantee.

Why?

Many contractors will be happy to guarantee their work against defects in workmanship or materials for up to 10 years, which is the period often given by home improvement companies. If a defect arises in the works, the contractor will normally honour their responsibilities by attending to the defect at no cost to you, as set out in their written guarantee.

Although a contractor's written guarantee sets out their obligation to rectify defects in installations carried out by them, it cannot guarantee that they will always be around. If a contractor ceases to trade, and defects subsequently develop in an installation, the contractor's written guarantee, although made in good faith and with the best of intentions, would be useless.



What Happens if I don't have an Insurance Backed Guarantee?

Hopefully, your chosen contractor will always be there to respond to any problems that may arise over the period of their written guarantee, and as such will perform any remedial works required.

However, even the most financially sound company can fail in these uncertain economic times. If you do not have an Insurance Backed Guarantee then you may incur substantial costs in the future if faults arise in the works.

What does the Insurance Backed Guarantee cover?

An Insurance Backed Guarantee provides protection to the customer in the event that the original contractor ceases to trade for reasons such as Liquidation, Receivership, Administration or the winding up of the business owing to the Bankruptcy, State Retirement or Death of the Principal(s).

If a fault is discovered in the insured works after the contractor has Ceased Trading for specified reasons and they are unable to honour their guarantee then a claim can be intimated. In the event of a claim, the Policy Holder would be asked to complete a simple claim form and a report would then be prepared by another contractor. This would determine the cause of the problem as well as the cost of repair.

If the fault falls under the terms of the original contractor's written guarantee, and the terms of the Policy of Insurance, then the Insurance Backed Guarantee would meet the reasonable cost of rectifying the defects up to a limit of the original contract price.

What is the Policy Term?

The policy term is set out within the policy documents and is normally the period stated on the policy document, or the length of the contractor's original written guarantee; whichever is the lesser.

What does the QANW logo mean?

QANW is an insurance intermediary, authorised and regulated by the Financial Conduct Authority, and does not purport to be a trade organisation or an accreditation body. As such, QANW is not in a position to promote the commercial offerings of particular contractors; nor is it in a position to recommend one contractor - or group of contractors - over another; nor can it mediate in disputes involving contractors and customers.

With this in mind, where a contractor makes use of the QANW logo on their literature, promotional materials or websites; it should not be construed as a recommendation or endorsement - by QANW - of that contractor. Use of the QANW logo simply demonstrates that the contractor has the facility to insurance back their own guarantee to the customer.

Where the contractor has made use of this facility, a certificate of insurance is issued directly to the customer. No insurance cover is in place until the certificate of insurance has been issued in the customer's name. If a contractor has made a verbal or written representation to their customer that insurance cover is in place, in spite of the customer not being in receipt of the certificate of insurance after more than 60 days from the completion of the works, the customer should contact QANW to raise this matter because no insurance cover is in place until the certificate of insurance has been issued in the customer's name.

Is the cover transferable?

If the contractor's written guarantee states that it is transferable to subsequent owners of the property then the insurance cover will also be transferable upon the payment of an administration fee, as specified within the Policy of Insurance. If the contractor's written guarantee does not state that it is transferable, then the Insurance Backed Guarantee, also, cannot be transferred.

General information

Please note that this is a general information leaflet only and you should always refer to your own Policy of Insurance and Insurance Product Information Document to confirm the insurance cover that has been provided to you. No insurance cover is in place until a certificate of insurance has been issued.

For full details of the cover provided by an Insurance Backed Guarantee, as well as details of any significant or unusual exclusions or limitations of the cover, please see a copy of our Insurance Product Information Document, which is available on our website; <https://qanw.co.uk/homeowner-ibg-ipid/>.

Get your policy quicker

We offer an online policy issuance service to homeowners where if you provide your installing contractor with your email address, QANW will send you an email to download your policy documents instantly.

By downloading your policy you will be able to access your documents whenever you require, keep an electronic version of your policy documents and receive your policy quicker than having to wait on it coming through the post.

ROOFING
COMPETENT
PERSON
SCHEME

NFRC



TRUSTMARK
Government Endorsed Quality

CERTASS

FENSA

Assure
Certification

QANW work alongside the above partners to provide consumer protection in-line with Competent Person Schemes and also support Government endorsed schemes, such as Trustmark, that are backed by the Building Industry and Consumer Groups. These partnerships help customers find reliable and trustworthy tradespeople to carry out home improvements or repairs.

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