

An aerial, high-angle photograph of a construction site in a dense urban area. A tall, yellow tower crane is the central focus, extending from the top of the frame down to a construction site on the ground. A worker in a blue shirt is visible in a glass-enclosed basket at the top of the crane. The surrounding area is filled with multi-story buildings, streets with cars, and construction materials. The image is taken from a high vantage point, looking down.

Allianz Insurance plc

Contractors All Risks

Product Information

Allianz 

This information is for intermediaries only

Contractors All Risks Insurance Policy

Wherever there is the construction of buildings or civil works, there is a risk of loss or damage. The contract governing the works will place the responsibility for this loss or damage with either the Contractor or Employer and our Contractors All Risks policy can protect either party against the cost of this loss or damage.

The following details give an overview of the policy:

What is the Policy Cover?

Contract Works - Cover One

All Risks cover for:

- Permanent works
- Temporary works
- Free issue materials and other materials to be incorporated into the works where declared within the turnover.

These are covered:

- While in transit to and from the contract site
- At the contract site until completed or taken into use
- During the maintenance or defects liability period for up to 12 months after practical completion.

Owned Plant and Machinery – Cover Two

All Risks cover for:

- Contractors Plant
- Temporary Buildings
- Employees Effects.

Hired In Plant – Cover Three

Cover for the legal liability of the Insured for:

- Loss or damage to the hired in plant
- Continuing hire charges as a result of this loss or damage.

What are the Territorial Limits?

- Great Britain, Northern Ireland, Isle of Man and the Channel Islands.
- Employees effects will be covered at any contract site within the Territorial Limits.

Are there any Policy Conditions?

Yes, under the main policy conditions the Insured must:

- where discovery of a defect indicates that a similar defect may exist in other parts of the works, investigate and remedy any other defects that are found at their own expense
- keep up to date records of values at risk and provide this information to us annually by declaration
- comply with The Joint Code of Practice on the Protection from Fire of Construction Sites and Buildings undergoing Renovation.

What are the main Extensions?

Professional Fees	Costs necessarily incurred in reinstatement of the works	Offsite Storage	The lesser of 25% of the contract value or £250,000
Restoration of Plans or Drawings	Up to £50,000	Debris Removal	Up to 10% of contract value
Fire Brigade Charges	Up to £10,000	Public Authorities	Up to 10% of contract value
Damage to Security Devices Cover Two Only	Up to £1,000 and Nil Excess	Loss of Keys Cover Two Only	Up to £1,000 and Nil Excess
Repair Cost Investigation Cover Two Only	Up to £25,000	Additional Cost (Supplementary Expenses) Covers Two and Three	Up to £10,000

What is the basis of Settlement?

Contract Works – Cover One

We will pay for the reinstatement of the works to a condition that prevailed immediately prior to the loss or damage.

Owned Plant and Machinery – Cover Two

- If there is a total loss we will replace the property or pay for the loss or damage in money. This is limited to the market value of each item.
- If there is a partial loss we will pay for the cost of repairing the item up to the amount that would be paid had there been a total loss.

Hired In Plant – Cover Three

We will cover the Insured's legal liability for loss or damage and continuing hire charges resulting from this loss or damage under the hiring agreement or otherwise. Where the plant is over one year old, this liability is limited to the liability under the Model Conditions for the hiring of plant approved by The Construction Plant-hire Association.

What are the main Exclusions?

For Cover One:

- Loss or damage caused by defective design, material or workmanship
- Existing property
- Damage to any part of contract works caused by its own breakdown or explosion except during testing/commissioning
- Loss or damage for which the Insured is not responsible under the terms of the contract

For All Covers:

- The policy excess
- Loss or damage occurring during transit by air or sea
- Wear and tear
- Vessels, craft, vehicles or devices designed to float on in or travel under or through water, air or space
- Inventory losses
- Damage to property arising from multiple lifting operations
- Any consequential losses such as penalties for delay
- Motor vehicles unless primarily for use as a tool of trade
- Terrorism and E-risks
- Pollution and Contamination

The above detail is a summary of the cover provided under our standard contractors all risks policy. If you wish to see the full terms and conditions please contact your local Allianz Engineering office for a specimen wording.



Why should your clients buy Contractors All Risks cover from Allianz Engineering?

The main features and benefits of our Policy wording are:

Insured Property	<ul style="list-style-type: none"> All Risks cover for: <ul style="list-style-type: none"> all permanent and temporary works undertaken in performance of the Contract Works as well as free issue materials and other materials allocated to or incorporated into the works where declared within the turnover. all Owned Plant and Machinery. <p>Legal liability of the Insured for:</p> <ul style="list-style-type: none"> loss or damage to Hired In Plant and any continuing hire charges resulting from this loss or damage
Joint Names	<ul style="list-style-type: none"> The majority of the most commonly used contract conditions in both construction and civil engineering require insurance to be arranged in both the contractor's and the employer's name. Under this policy cover is automatically extended to apply to any party that is required to be a joint named insured under the contract to the same manner and extent as the main Insured.
Transit	<ul style="list-style-type: none"> Where materials to be incorporated into the Contract Works are in transit cover is provided automatically for any incidental storage required for a period of up to 14 days.
Completion	<ul style="list-style-type: none"> Cover will continue for up to fourteen days after completion or hand over of the Contract Works where the contractor is required to provide this under the terms of the contract.
Maintenance or Defects Liability Period	<ul style="list-style-type: none"> Where the contractor has a contractual obligation to return to the site after completion in order to remedy any defects we will provide cover for any loss or damage caused by a defect that originates prior to the maintenance period. Cover is also provided for any loss or damage caused by the contractor while on site.
Breakdown	<ul style="list-style-type: none"> The policy is automatically extended to ensure that breakdown of any machinery forming part of the Contract Works is covered whilst it is being tested or commissioned. This extension would cover lifts in an office block or escalators in a shopping centre for example.
Loss Settlement	<ul style="list-style-type: none"> Full indemnity for loss or damage to the Contract Works. The policy is specifically written to fulfil contract obligations.
Optional Cover for Plant	<ul style="list-style-type: none"> The Insured can choose to arrange cover for the Contract Works in isolation or can cover constructional plant, whether owned or hired in, as part of the Contractors All Risks policy.
Employees Effects	<ul style="list-style-type: none"> Cover can also be arranged for personal effects of the contractor's employees. This includes cover for items such as clothing and tools for example but does not include loss or damage to vehicles and money.
Extensions	<ul style="list-style-type: none"> 17 extensions (10 being detailed on the previous page) written to allow the Contractor or Employer to comply with the insurance requirements under which the contract is completed.
Speculative Buildings	<ul style="list-style-type: none"> Where buildings are constructed outside of any contract for the purposes of future sales, as in the case of many housebuilders, the property will be covered automatically under our speculative building extension. Cover is provided during construction and after practical completion for up to one hundred and eighty days for domestic buildings and ninety days for commercial buildings, or to the date of sale, whichever occurs first.
Periods of Cover	<p>Cover can be arranged:</p> <ul style="list-style-type: none"> over the period of a single contract where the employer is arranging insurance on an annual basis covering all contracts undertaken by a contractor or arranged by an employer.

What insurance cover is required under the contract conditions?

Contract conditions set down which parties are responsible for loss or damage, what insurance cover is required and who needs to arrange the insurance cover. The most commonly used forms for building work are:

- Joint Contracts Tribunal (JCT) Standard Form 2005
- JCT Intermediate Form 2005

The insurance requirements under these two forms of contract are the same and are set out in the table below with the relevant clause numbers.

Nature of Works	6.7 Option A New Buildings	6.7 Option B New Buildings	6.7 Option C.1 Existing Structures and Contents owned by Employer or for which responsible	6.7 Option C.2 Work in or extensions to Existing Buildings
Insurance Arranger	Contractor	employer	Employer	Employer
Premium	Contractor	Employer	Employer	Employer
Policy	Joint names and for sub contractors specified perils only. Waiver of subrogation rights	Joint names and for sub contractors specified perils only. Waiver of subrogation rights	Joint names of the Employer and Contractor only. No cover for the subcontractor (whether nominated or domestic)	Joint names and for sub contractors specified Perils only. Waiver of subrogation
Cover	All Risks - works and materials Sub Contractors specified perils only	All Risks - works and materials Sub Contractors specified perils only	Specified Perils	All Risks - works and materials Sub Contractors specified perils only
Insured Amount	Full reinstatement plus professional fees	Full reinstatement plus professional fees	Full cost of reinstatement - repair replacement	Full reinstatement plus professional fees
Requirements	Employer to approve Insurers policies and premium receipt deposited with Employer via Architect	Employer to produce evidence for Contractor including receipts	Employer to produce evidence for Contractor including receipts	Employer to produce evidence for Contractor including receipts
Claims Payment	To Employer. Contractor paid as variation issued by Architect	To Employer. Contractor paid as variation issued by Architect	To Employer. Contractor paid as variation issued by Architect	To Employer. Contractor paid as variation issued by Architect
Period of Cover	To date of issue of certificate of practical completion or the termination of employment of the Contractor. If Contractors annual policy used then renewal date.	To date of issue of certificate of practical completion or the termination of employment of the Contractor.	To date of issue of certificate of practical completion or the termination of employment of the Contractor.	To date of issue of certificate of practical completion or the termination of employment of the Contractor.