

# What Is Contractors All Risks Insurance?

## Contract Works Insurance for Those Wanting to Refurbish or Build an Extension

If you are refurbishing or extended your building or erecting a new one, you will need insurance to be in place from the moment works start, to when they finish. The type of policy that covers loss or damage to the new works is known as "[Contractors All Risks](#)" or sometimes "Contract Works."

We have dealt with this type of cover for many years and know from experience that many property owners believe that their current insurance policy for a building being refurbished or extended will automatically cover them for all new works whilst in progress.

Sadly, this is not usually correct – although you must remember to inform your current insurers of any work being undertaken before it starts, plus when it is completed, advise them of any changes plus any increase of rebuilding cost.

Before works commence, if you are using a main contractor, get evidence in writing (and keep a copy!) that they carry contractors all risks insurance with a limit of cover adequate to cover the contract price with you. You should also obtain in writing (again, keeping a copy) that they carry Public Liability insurance.

Don't forget that as the person instructing the work, you are the "employer" and so if anything goes wrong, the buck stops with you! Furthermore, it does make the contractors appear more responsible if they are able to demonstrate that they carry the appropriate insurances. Do you really wish to deal with cowboys?

With all this cover in place, you can be confident that should there be a flood, fire, storm or vandalism (check the policy wording to see what the extent of cover is) that the builder will be in a financial position to either repair or restart the project.

**Versatile Insurance specialises in insurance schemes for [Public Liability](#), [Contractors All risks Insurance](#), [Professional Indemnity](#), [Property insurance](#), [JCT 21.2.1](#), builders, property developers and tradesmen. Operating in the UK and Northern Ireland, Versatile Insurance has built up an unrivalled range of contacts within the construction industry enabling us to offer fast and competitive quotes for business insurance. Our highly experienced and friendly team are here to help and advise.**