HOWDEN

Renovation guide

Insurance considerations when undertaking residential property renovations

Before renovations begin - notification and occupancy considerations

Prior to beginning any renovation works to your property it is important to notify your insurer. If you place your home cover through a broker, this notification can be made to your broker who will disclose to your insurer on your behalf.

There are often conditions in home insurance policies requiring works over a certain value to be declared to your insurer. They reserve the right to suspend, modify or cancel coverage during the period of renovation.

Renovation, particularly if structural, may impact the breadth of coverage under your home insurance. Where planned renovation works are significant, this may affect whether your insurer can continue to maintain coverage on the property during the renovation period.

All insurers have varying criteria that you must comply with. If the renovations are non-structural and you remain in the home, insurers will likely agree to continue coverage but may apply conditions to the policy and increase the premium for the perceived additional risks.

As the homeowner, failure to notify your insurer may result in denied or reduced claims, if the cause of loss or damage is as a direct result of the renovations works being performed.

Ensure your builder holds insurance

When selecting your builder an important insurance consideration is having peace of mind that they are carrying the relevant and necessary insurances to protect themselves and your property during the renovations.

We would recommend asking your builder to show evidence of their Contract Works and Public Liability insurance. Your insurer may ask to sight this information and may also check the licensing of the builder.

During renovations - safety and security considerations

It is important to note that home insurance policies typically have unoccupancy conditions, and cover may be suspended during works if the premises will be unoccupied for an extended period, or additional excesses may be imposed in the event of loss or damage to the existing property during works. If you are unsure of these conditions, and whether your coverage may be impacted, your broker is best placed to advise you.

Where you are required to vacate your property for the duration of the renovation works, your insurer will need to understand what security and safety measures are in place to mitigate the increased risk of theft or personal injury should the site be unlawfully entered.

Tip ↘

It's best practice to display your builder's and certifier's contact details on site.

After renovations are complete

Occupancy Certificate

Following a major renovation where works have included structural changes, new buildings, or additions, an Occupancy Certificate validates a building's safety and suitability for occupancy, confirming it meets legal and regulatory standards.

Your insurer will want to sight this document. Your broker will prompt you on this when advised the renovations are complete and share the applicable certificate (where required) with the insurer on your behalf.

Update your insurance

Final checks

Once works are completed, it is important you review your current home insurance policy sums insured with your broker to ensure they accurately reflect the updated reinstatement value of your property.

Where warranted, there is the option to arrange a professional property appraisal through Howden to ascertain these updated insurance values.

Need help? Talk to your broker today.

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