

BUILDING OUTFITTING / REFITTING

The need for insurance may not always be appreciated for craft safely tucked away ashore while being worked on. There can, however, be problems where an insurance would prove to be a sound investment.

Fire, storms, theft and vandalism are but four areas where loss or damage can occur, even to craft owned by the most careful owner. Third Party insurance is also essential and, if the work is being completed in a yard, may be compulsory.

When should an insurance be started

From the time there is a value at risk. If fitting out a professionally built hull, for example, the insurance should be taken out from the moment the hull becomes your property.

What information the insurers need

Apart from the usual proposal form:

- 1 Where will the craft be kept, including details of security.
- 2 What previous experience you have, particularly if any engineering work is involved.
- 3 The total value of everything at risk at the start of the project.
- 4 How long it is anticipated that the project will take.
- 5 What will be the final completed value, this should be the estimated market value at the completion of the work not just the cost of the materials.

Will there be a need for a survey?

Firstly ask your insurers whether they will require a survey. In any event it is wise to involve a surveyor who should:

- 1 Be asked to visit the craft before she is stripped out.
- 2 Be asked to suggest when a further visit will be required and then be called back at these stages.
- 3 Be called back when all is done to give a final "signing off" report.

What about increasing value?

It is normal to insure, from the outset, at the final estimated completed value. This ensures that, at any stage, the sum insured should be adequate.

The premium rating structure takes into account that the value is low at the start and that it will steadily increase as the work progresses. If a surveyor is involved he can keep the valuation "up to date".

- 1 Keep all receipts for items purchased as the work progresses
- 2 Keep a record of the work done - perhaps with photographs
- 3 If you wish to use the boat during the work, insurers must be advised and their agreement obtained
- 4 Tools are normally not covered and should be insured under your household insurance

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