

EMH Housing & Regeneration

Buildings Insurance – Section 20 Consultation

Frequently Asked Questions (FAQs)

1. Why have I received this consultation notice?

You have received this notice because EMH Housing & Regeneration Limited (“EMH”) is proposing to enter into a **long-term buildings insurance agreement**.

Under **Section 20 of the Landlord & Tenant Act 1985**, we are required to formally consult leaseholders and shared owners where:

- an agreement lasts for **more than 12 months**, and
- the cost is expected to exceed **£100 per home per year**.
- This consultation does **not** mean that insurance is optional, nor does it mean there is a problem with the building. It is a **legal process** designed to ensure transparency and allow leaseholders to comment before arrangements are finalised.
- The policy typically covers risks such as fire, flood, storm damage, and public liability, in line with the requirements of the lease.

2. Is my current buildings insurance still valid?

Yes.

Your **current buildings insurance remains fully in place and valid until 30 September 2026**, and continues to provide cover for your property during this period.

3. Why is EMH consulting now if the current policy has not yet ended?

EMH arranges buildings insurance through a **group-wide policy** covering many properties.

Because procuring a new multi-year insurance contract takes time, the consultation and tender process must begin **in advance** so that any new policy can start smoothly from **1 October 2026**, with no gap in cover.

4. How much will the insurance cost?

We do not yet know until the insurance broker goes to market.

The current premium is on average £160 but this will be subject to an inflation increase on the rebuild costs and the specific premium for your property will depend on the size and location of your property.

Further details about the proposed insurance terms and costs will be shared at the **next stage of the consultation**.

Final costs for each property will be confirmed once the tender process is complete.

5. Can I see a breakdown of my current insurance costs and cover?

Yes.

Details of your current buildings insurance premium and cover are included in the **insurance breakdown and summary of cover** that EMH already provides as part of your yearly service charge information.

6. Will EMH try to keep insurance costs affordable?

Yes. EMH will:

- seek **competitive prices** through an open tender process;
- carefully balance the **level of cover against cost**; and
- work to keep costs as fair and reasonable as possible.

Some elements, such as **Insurance Premium Tax**, are set nationally and are outside EMH's control.

7. Will the level of cover, exclusions or excess change?

EMH intends to procure insurance with **broadly the same level of cover** as the current policy.

There are **no plans to reduce cover or increase exclusions**, unless doing so would result in significant savings without materially affecting protection for residents. This balance will be carefully assessed.

8. Will previous claims (e.g. subsidence) affect the new insurance?

Insurers will be provided with **claims history information across EMH's housing portfolio** as part of the tender process.

While this may influence premiums offered by insurers, EMH will work to ensure the most competitive pricing available in the current market.

9. Why does this apply to shared ownership homes?

EMH is responsible for arranging **buildings insurance** for properties it owns or partly owns, including shared ownership homes.

Because the insurance agreement:

- exceeds **12 months**, and
- costs more than **£100 per year**,
formal consultation is required by law, regardless of tenure.

10. Can I choose my own buildings insurer or suggest an alternative provider?

Buildings insurance must be arranged centrally by EMH. Residents cannot arrange their own buildings policy.

However, you are welcome to submit **comments or observations** during the consultation if you have suggestions or concerns.

11. What do I do if I already have my own building insurance?

We can discuss this with you as it is not required and you may be able to recover the premium you have already paid.

12. Is there a template for submitting observations?

No formal template is required.

You may send your observations **by email or in writing**, and all responses received during the consultation period will be considered.

13. Will there be another opportunity to comment?

Yes.

Once the tender process is complete, EMH will:

- write to residents again confirming the selected insurer and final costs; and
- provide a **further 30-day consultation period** for additional observations.

14. Do I have to respond to this consultation?

No.

You are **not required to respond** if you do not wish to. The notice is provided for your information and to give you the opportunity to comment if you choose.

15. What happens next?

Once this first consultation stage has ended, we will issue a further notice summarising:

- The proposed insurance arrangements and costs
- Any comments received from leaseholders

- Our responses to those comments

Only after that second stage will any insurance arrangement be entered into.

15. How do I make a claim under the insurance policy

Please refer to the website [Insurance - East Midlands Homes](#)

In certain leases the insurance claim will be made by the Insurance Team at emh. This normally only relates to extra care schemes – **to be updated.**

16. Does the buildings insurance include residents' contents insurance?

No, residents need to get their own contents insurance.

18. Where can I get independent advice about this consultation?

Refer to the Leasehold Advisory Service (LEASE)

Website: <https://www.lease-advice.org>

19. Will this consultation affect my service charges?

Insurance is part of your service charges but the consultation does not relate to any other service charges that emh Homes applies.

20. Does this consultation mean my premium will increase?

Yes because emh has capped the premium that leaseholders pay at £100 whilst the actual premium cost for last year was an average of £160. The actual charge will depend on the rebuild value for each property and the premium rate applied by the insurance company.

21. What if I disagree with the proposed insurance arrangement?

If you disagree with the proposal, you should tell us **in writing** during the consultation period stated in the notice (normally **30 days**).

You can explain:

- Why you think the proposal is **too expensive**
- Concerns about the **level of cover, excesses, or policy terms**
- Why you believe the proposal does not represent **good value for money**
- Any questions or points you want EMH to consider

All comments received within the consultation period are formally recorded and must be considered as part of the Section 20 process.

Do my comments make a difference?

Yes. EMH is legally required to:

- **Consider all leaseholder observations**, and
- **Respond to them** as part of the consultation process

Your comments help EMH evidence that the consultation has been carried out properly and transparently. However, Section 20 consultation does **not** give leaseholders a veto over insurance, which is a mandatory requirement under the lease.

Can EMH still go ahead if leaseholders disagree?

Yes. After the consultation has finished and leaseholder comments have been considered, EMH may still proceed with the insurance arrangement if it believes the proposal is reasonable and compliant.

Buildings insurance is required under the terms of the lease and by law, and Section 20 is a consultation process rather than a vote.

22. Will the new insurer be the same as the current one?

The insurance broker will go to the market to obtain quotes from a range of insurers and then propose the most suitable arrangements for leaseholders. This may mean that the insurance company is different from the current insurer.

23. What if I am selling my home during the consultation period?

24. Does this consultation affect my contents insurance?

No. emh is not required to provide contents insurance and you will need to purchase this yourselves.

25. Will the new policy cover alternative accommodation if my home becomes uninhabitable?

Yes, The policy covers the cost of alternative accommodation if the property is uninhabitable

After this point all FAQs were added as part of the consultation process

26. If EMH enters into a long-term insurance agreement, could this allow the insurer to increase the premium each year by an unreasonable amount?

The insurance broker will go to the market to seek the most competitive terms available, based on a two- or three-year agreement. In general, the insurance rate is expected to be fixed for the term of the policy. However, the rate may be reviewed if there are significant claims or material changes in risk. The annual premium will change because the insured rebuild value is usually increased each year for inflation, reflecting the estimated cost of rebuilding the property. The broker's role is to ensure the premium remains competitive across the life of the policy.