
STATUTORY INSTRUMENTS

2015 No. 1902

**The Flood Reinsurance (Scheme Funding
and Administration) Regulations 2015**

PART 3

FR Scheme Funding

Gross written premium

6.—(1) For the purposes of this Part, a relevant insurer’s “gross written premium” means the aggregate sterling amount paid or payable by, or on behalf of, holders of home insurance for the relevant risk element of home insurance, before the deduction of any amount (including commission), but after the deduction of insurance premium tax⁽¹⁾.

(2) A relevant insurer’s gross written premium must be increased by the amount of any gross written premium paid or payable for the relevant preceding calendar year for transferred home insurance.

(3) For the purposes of paragraph (2), “transferred home insurance” means the rights and liabilities arising out of, or in connection with, home insurance, where the home insurance—

- (a) formed the whole, or part, of an insurance business carried on by a person (“A”),
- (b) the insurance business, or that part, has been transferred to, or has otherwise vested in, the relevant insurer in the preceding calendar year, and
- (c) A is not a relevant insurer on the date on which the levy is due under regulation 9.

(4) When calculating a relevant insurer’s gross written premium under paragraphs (1) and (2), home insurance shall be taken to cover only the relevant risk element unless the contrary is shown by the relevant insurer to the reasonable satisfaction of the FR Scheme administrator.

(5) For the purposes of this regulation, “the relevant risk element”, in relation to home insurance, is any risk of damage to, or loss or destruction of, either or both of the following—

- (a) a dwelling;
- (b) the contents of a dwelling.

Commencement Information

II [Reg. 6](#) in force at 11.11.2015, see [reg. 1\(b\)](#)

(1) Insurance premium tax is charged on receipt of an insurance premium by a relevant insurer under a taxable insurance contract on or after 1st October 1994. Insurance premium tax was established by sections 48 to 74 of, and Schedules 6A, 7 and 7A to, the Finance Act 1994 (c.9).

Changes to legislation:

There are currently no known outstanding effects for the The Flood Reinsurance (Scheme Funding and Administration) Regulations 2015, Section 6.