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STATUTORY INSTRUMENTS

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**2015 No. 1902**

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

**PART 2**

Definitions for the purposes of the Act

**Definition of “relevant insurer”**

**3.—**(1) For the purposes of Part 4 of the Act, an insurer<sup>(1)</sup> is a relevant insurer in a financial year if the insurer—

- (a) (i) effected any home insurance in the period of 12 months immediately preceding the first day of the financial year, and
- (ii) has permission under the Financial Services and Markets Act 2000<sup>(2)</sup> which allows the insurer to effect and carry out home insurance on the first day of the financial year; or
- (b) is a member of the Society (within the meaning of the Lloyd’s Act 1982<sup>(3)</sup>) and, as such a member—
  - (i) effected any home insurance during the period of 12 months immediately preceding the first day of the financial year; and
  - (ii) on the first day of the financial year, intends to effect further home insurance during the financial year.

(2) For the purposes of paragraph (1)(b), an insurer who falls within paragraph (1)(b)(i) shall be taken to fall within paragraph (1)(b)(ii), unless the contrary is shown by the insurer to the reasonable satisfaction of the FR Scheme administrator.

**Definition of “flood”**

**4.—**(1) For the purposes of sections 64 to 69 of the Act, “flood” means water, from any source external to a building, which enters a building—

- (a) (i) at or below ground level; or
  - (ii) above ground level, provided that part of the body of such water is at ground level; and
  - (b) does so with a volume, weight or force which is substantial and abnormal.
- (2) For the purposes of paragraph (1), the following do not constitute a flood—
- (a) the gradual seepage or percolation of water into a building (such as rising damp);

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<sup>(1)</sup> For the definition of insurer, see section 82(1) of the Act.

<sup>(2)</sup> 2000 c.8.

<sup>(3)</sup> 1982 c.xiv.

- (b) water escaping from a water main, drain, sewer, pipe or other thing inside a building, unless such escape was solely the consequence of a flood falling within paragraph (1).

**Definition of “household premises”**

- 5. For the purposes of sections 64 to 69 of the Act, “household premises” means—
  - (a) a dwelling which meets the criteria relating to “household premises” set out in sections 4.7 to 4.9 of the FR Scheme; or
  - (b) a building in the United Kingdom which:
    - (i) is held for private residential use and comprises two or three residential units, and includes any garage, shed or other building which forms part of, and is enjoyed with, the building; and
    - (ii) meets the criteria relating to “household premises” set out in sections 4.7 to 4.9 of the FR Scheme.