



## 24.03.2022 **Industry Mega-poll to Track Development of PI Insurance Crisis**

Companies from across the industry are being asked to take part again in what was, last year, the biggest ever review of construction's growing professional indemnity insurance crisis.

The survey was carried out last year in response to firms from across the industry reporting sharp increases in premiums for PI insurance, while also seeing stricter curbs on the levels of cover.

Over 1,000 firms responded to the survey last year and findings included:

- Premiums had increased nearly four-fold at last renewal, having doubled the year before;
- Although most respondents said that less than 5% of their work related to high rise residential buildings, almost one in three were unable to buy the cover they wanted or needed; and
- Over 60% had some form of restriction on cover relating to cladding or fire safety and over a quarter of respondents said they had lost jobs as a result of inadequate PII, with one in three unable to carry out necessary cladding remedial work if they wanted to.

The Construction Leadership Council is seeking an even greater response this year to continue to provide government with data to support the construction industry's request for help in this area, particularly among the SME sector and to address the slowing pace of necessary remedial work.

The survey is entirely confidential and companies from across the built environment are encouraged to participate at: <https://www.surveymonkey.co.uk/r/7CJMDG8> .

Construction Leadership Council Professional Indemnity Insurance Group lead Samantha Peat said: "The construction industry is heading into another difficult period with the cost of energy and building supplies increasing and our sense is that the problems around PII cover for cladding and fire safety are no better."

"We are continuing to engage with the UK Government and insurers to find ways to help businesses that could otherwise face an uncertain future due to the nature of their PI renewals. We want businesses from across the industry to give us their views – whether you are affected or not – to help us shape the way we prepare a response from the whole sector."

CLC chair Andy Mitchell said: "We have seen over the course of the pandemic that our industry can work together effectively to tackle the problems facing the construction sector. Given the feedback from across the sector about the difficulties faced by companies in obtaining PI insurance and the beneficial output from the previous survey's responses, I strongly encourage companies to contribute to this year's survey."

The survey will be live until 29<sup>th</sup> April 2022. Industry-level details of the results will be published by the Council and will be used to inform ongoing work to support the sector.

### **Ends**

#### **About the Construction Leadership Council (CLC)**

The CLC's mission is to provide sector leadership to the construction industry. The expanded CLC has twelve workstreams that operate collaboratively to address the biggest issues facing the sector, focused on the Industry Recovery Plan. Workstreams include skills and inclusion, building safety and business models. The CLC is co-chaired by Lee Rowley MP, Minister for Business and Industry, and Andy Mitchell CBE, CEO of Thames Tideway.