



# Press Release

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## CECA: PI Insurance Will Be A ‘Major Challenge’ For Contractors In 2020

The cost of PI insurance will be a major challenge for contractors in 2020, according to research published today by the Civil Engineering Contractors Association (CECA).

In recent months CECA members have reported spiralling costs for professional indemnity insurance as the market has hardened.

To assess the scale of the issue CECA polled its members on the issue. In the last five years:

- 92 per cent of contractors have experienced substantially increased premiums
- 85 per cent have seen a reduction in PI insurance providers
- More than half have seen large increases in excesses
- More than half have found it impossible to get cover on an each-and-every basis.<sup>2</sup>

More than 70 per cent have seen their PI insurance costs rise at least 20 per cent at their last renewal, with costs more than doubling for 22 per cent.

Commenting, CECA Chief Executive Alasdair Reisner said: “There has been a substantial hardening of the insurance market accessible to contractors, which has meant there are fewer insurance providers, narrower cover, increasing premiums, and higher policy excesses.

“We are advising our members as to the best steps they can take to mitigate these challenges, and are recommending that they access information on forthcoming renewal of policies as early as possible, meet directly with their insurers, and identify the appropriate risk management procedures to deploy across their businesses.

“We now hope to work with Government, our members, and the insurance companies themselves, to identify steps that will improve the availability and affordability of insurance in the infrastructure sector.”

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### Notes to Editors

1. The Civil Engineering Contractors Association (CECA) represents over 300 contractors of all sizes, covering approximately 80% of the civil engineering market in Great Britain. Our members build infrastructure that provides the basis for economic sustainability and quality of life in communities across the country.

2. Each and every claim cover means that the limit is payable in respect of each claim.