

Renovation Portfolio Construction Insurance – Fire Risk Management Requirements (Standard Construction)

The way we approach the fire risk on a construction site varies primarily with reference to the values at risk. The following is a guide only. We reserve the right to underwrite the fire risk on a case by case basis.

Combined sums insured < £1,000,000

We will rely on the standard terms contained within the Policy Wording. For example, within the wording there is a clause imposing a requirement upon Insured Parties to operate a system of hot work permits when hot works are being undertaken.

Combined sums insured in excess of £1,000,000 where works sum insured is less than £2,500,000

We may impose a 'Fire Risk Management Plan' (FRMP) subjectivity. This will be more likely the higher the combined sums insured get.

We are not prescriptive in terms of what a FRMP must look like, but we do require that we can be satisfied that the fire risk *on site* has been adequately identified, assessed and managed. A generic risk management framework which has not been specifically applied to the site will not be accepted.

Typically, we would expect to see reference to the following within the plan:

- FRM induction and training procedures
- Details of active fire prevention measures such as smoke detection and extinguishing equipment, and the presence of adequate water on site
- Details of passive fire prevention measures such as waste management, storage of flammable gasses and liquids, use of hot work permits, signage and training
- Perimeter security
- Liaison with and awareness of the local fire brigade
- Details of fire marshals and reporting structure

Where the Works sum insured is £2,500,000 or greater

Where the original contract spend exceeds £2,500,000, the employer and contractor are required by law to adhere to the *'Joint Code of Practice on the Protection from Fire of Construction Sites and Buildings Undergoing Renovation'* (JFC). This risk management framework represents best practice around the fire risk on site.

We will explicitly impose a requirement by endorsement that the JFC is adhered to. We may also require that a site-specific FRMP is produced, but not always. It will depend on the overall nature of the risk, including project set-up.

Detailed guidance around on-site fire risk management is available in our broker portal.