

Swiss Re, Aon Ben and NRWB make weather risk product

17 August, 2011

Swiss Re, Aon Benfield Securities and The National Register of Warranted Builders (NRWB) have made a risk management product that pays Federation of Master Builder members if severe frost and rain stops building work.

The product, also developed by weather risk management firm CelsiusPro, was made after recent extreme weather events stopped FMB members from working and lost them money.

Building and Allied Trades Joint Industrial Council guidelines suggest that when work is stopped for weather reasons, employees must still be paid. This can be expensive for construction firms, who were hit hard by the recession.

Swiss Re Head Origination (Asia-Pacific, Europe, Middle East and Africa) Stuart Brown said: "From construction to food production to power generation, the weather impacts people and business, and those who don't have weather cover can find themselves in financial difficulty when they are unable to work for extended periods."

NRWB director David Hill said: "It seems that the weather is becoming more unpredictable in the UK, and perhaps all over the world, and this cover helps to ease the burden of lost earnings at times when our members and their employees are unable to work due to adverse weather conditions."