



Environmental Insurance and Brownfield Development

July 2026



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How insurers view contaminated land today

The market has shifted from asking 'is contamination present?' to asking 'how could liability crystallise over time - and who will hold it when it does?'



Risk, liability and uncertainty are not the same thing



Risk (technical)

The possibility of harm – dependent on sources, pathways and receptors.



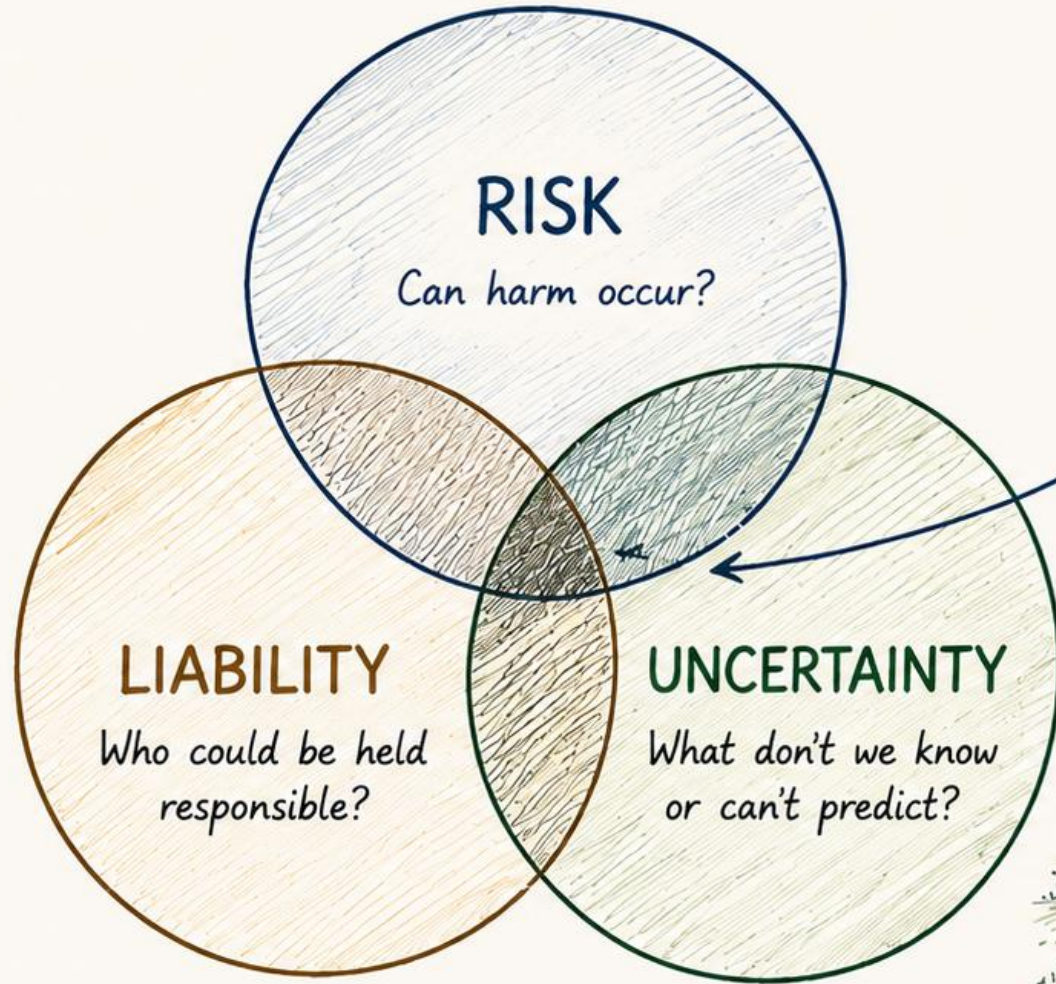
Liability (legal)

The legal responsibility that may be attached and enforced.



Uncertainty

What is unknown, changing or outside our control.



Where all three overlap is where the greatest insurance challenge lies.



Our role is to translate between these three layers with clarity and integrity – so the right questions are asked, the right liabilities insured, and uncertainty is held with clarity.

Why PFAS is different



Persistent – ‘forever chemicals’

Do not break down, can accumulate in the environment and in the human body.



Ubiquitous – hard to avoid, hard to prove

Detected in air, water, soil, products and people. Attribution to a specific source is difficult.



Evolving regulation and standards

Guidance and limits are changing. What is acceptable today may not be tomorrow.



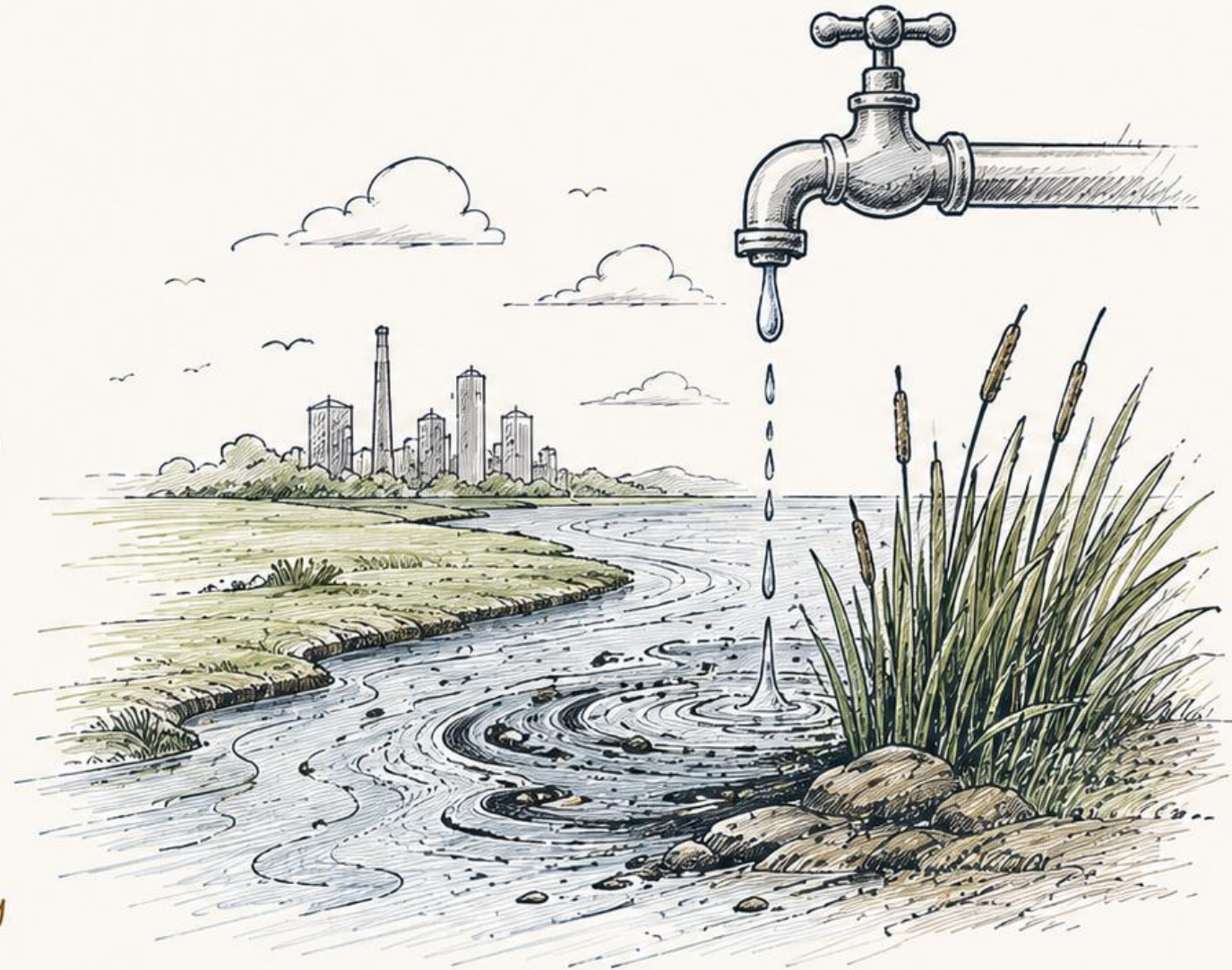
Uncertain toxicology and remediation

Health effects, treatment options and clean-up standards remain uncertain and costly.



Future re-interpretation is a real risk

Science, regulation and societal expectations will continue to evolve – extending potential liability over time.



PFAS is as much a governance and insurability issue as a chemistry issue.

Circular economy ambitions meet long-tail liability

Sustainable reuse is essential – but insurers focus on what could happen over time.

The opportunity



Reuse of materials and waste



Lower carbon, less extraction



Deposit for recovery and engineered solutions



Supports sustainable development goals

Insurer concerns



Future change in interpretation



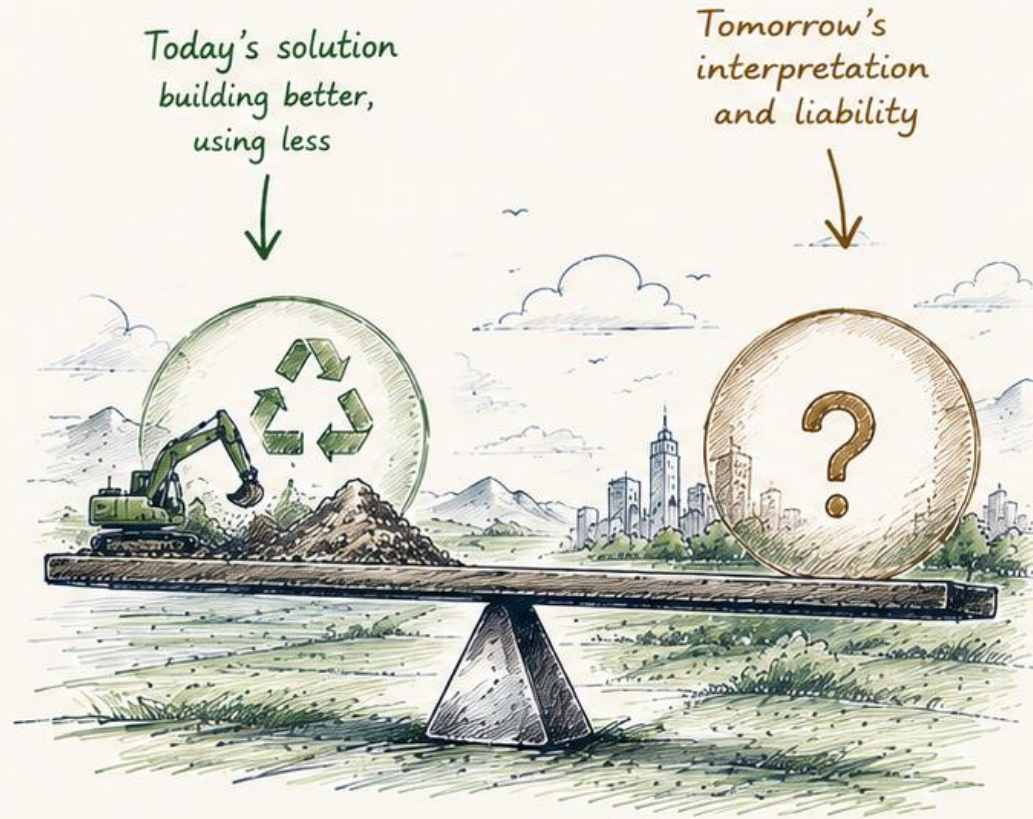
Migration and off-site impacts



Attribution and responsibility over time



Data, standards and evidence uncertainty



Insurers ask:

- What might future regulators expect?
- Could we be asked to do more later?
- Who will be responsible when standards change?
- Is the long-term chain of responsibility clear?

The longer the tail, the harder the risk is to insure.



Insurers are not anti-circular. They simply need confidence that future liability is governable, not just environmentally sound.



Clarity today protects value tomorrow.

What redevelopment changes

The same land can carry very different insurance implications as it moves through a lifecycle.



Phase matters

Liability regimes shift before, during and after works.



Liability moves

Who holds the risk – and what they are liable for – can change over time.



Cover availability shifts

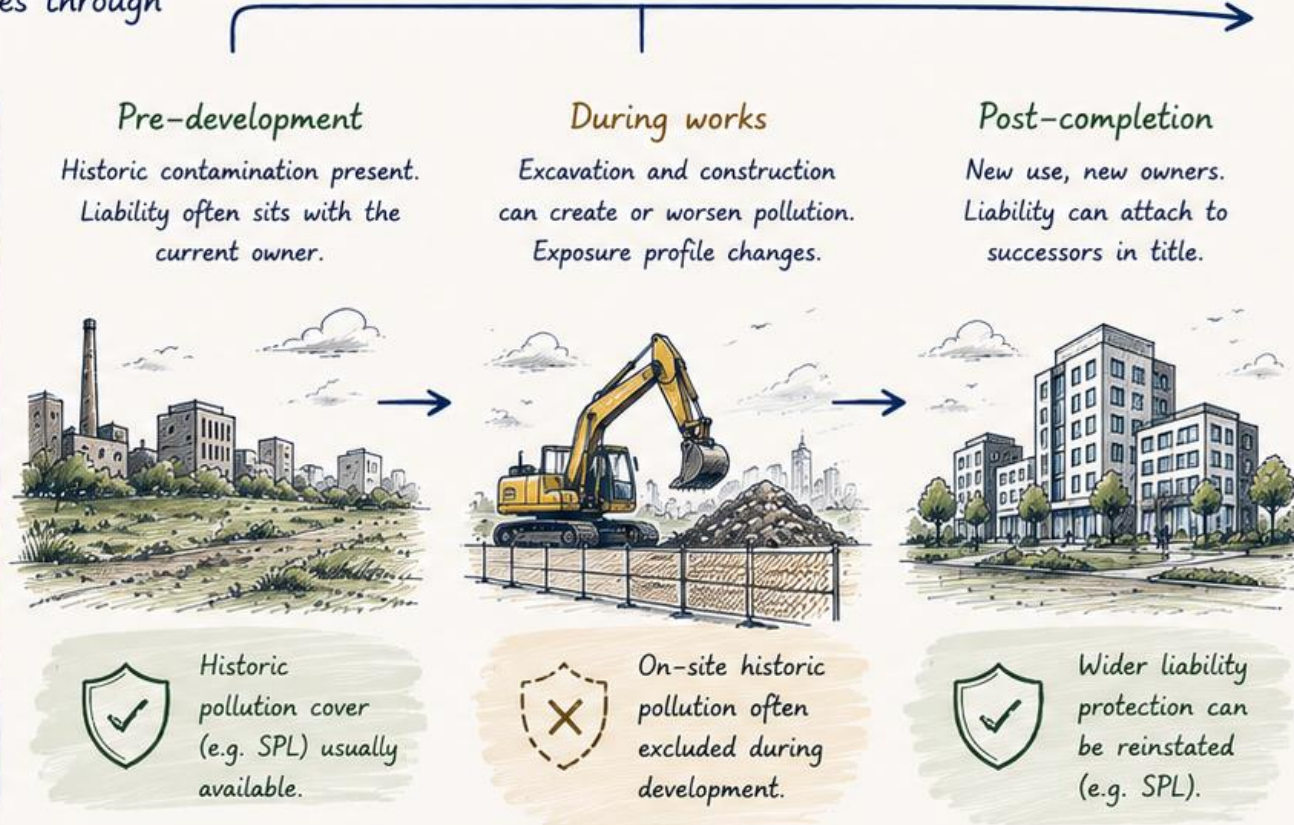
Certain pollution may be uninsurable at one stage, but insurable at another.



Future use shapes risk

New design, land use and ownership create new exposures.

The lifecycle of a redevelopment site



Key impacts of redevelopment



Pollution can be disturbed, mobilised or exacerbated



Off-site migration and third-party impacts become more likely



Liability can extend to neighbours, contractors or successors



Regulatory engagement intensifies



Insurance appetite may narrow or exclusions tighten



Peak claims exposure is often post-completion, even when decisions are made pre-development. Long-tail thinking is essential.

Redevelopment doesn't just change the site – it changes the story insurers are asked to insure.

SPL and CPL cover

Environmental insurance responds to liability, not to the cost of doing a development.
Two complementary policies are used across the lifecycle of a project.

SPL – Site Pollution Liability (Pre- or Post-development)

Protects against liability arising from historic pollution on or off the site.



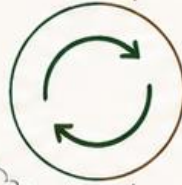
Covers:
third-party claims and
regulator direction
for historic pollution



Focus:
past conditions
and migration
pathways



Typical use:
acquisitions,
refinancing,
completed sites



CPL – Construction Pollution Liability (During Development)

Protects against liability arising from
pollution caused or exacerbated by
construction activities.



Covers:
third-party claims and
regulator direction from
development activities



Focus:
works, contractors and the
risks they create



Typical use:
construction projects,
brownfield redevelopment,
infrastructure



Important to remember



The cost of development
is not insurable.
Insurance does not fund
remediation, delays,
or commercial loss.



Insurance is a liability
backstop, not a guarantee.
It responds if and when
a covered liability is
brought against you.



Cover is subject to
policy terms, conditions,
exclusions and limits.
Clarity, good governance
and full disclosure are
essential.



The EDIA view

SPL and CPL are tools to manage long-tail liability risk across the lifecycle of a development.
Used well, they provide continuity, confidence and clarity for all parties.



What insurers actually worry about

Insurers don't worry about contamination in isolation. They worry about how liability might crystallise and who could hold the bag.

It's not just what's on the site. It's what could happen next.



Third-party claims

Neighbours, contractors, tenants, visitors and the public.



Regulatory action

Enforcement, stop notices, remediation notices, prosecution and fines.



Pollution migration

Off-site movement through groundwater, gas, vapour or surface water pathways.



Long-tail exposure

Liability can emerge years after ownership or works have ended.



Gaps in cover

Unknowns, exclusions and conditions that create blind spots.



Changes in control

SPVs, transfers, leases and insolvency don't remove liability.



Information gaps

Missing data, poor scope or unreliable reports create uncertainty.



Contractual weakness

Poor drafting, partial transfers and unclear responsibility.



Unforeseen events

Floods, fires, spills and extreme weather can trigger claims.



Insurers seek confidence that liability is understood, governed and ultimately insurable.

Clarity today protects trust tomorrow.



EDIA's role is to surface what matters most and help align the risk story, the governance and the policy.

Clarity reduces surprises.
Stewardship builds trust.

Do media stories change appetite?

Media coverage doesn't create liability – but it can accelerate attention, amplify perceived risk and influence how insurers respond.

What media can do



Raise awareness
Brings emerging issues into the public and political spotlight.



Increase scrutiny
Invites regulator, NGO and legal attention – earlier and faster.



Shift perception
Changes how a risk is framed, even before rules or evidence do.



Shorten reaction time
Pressure for action can move from years to months.



How insurers may respond



Pause or review
Insurers may pause new business or review existing exposures.



More information demanded
Tighter questionnaires, additional reports, longer lead times.



Narrow appetite
More exclusions, higher retentions, or limited classes of business.



Price for uncertainty
Premiums reflect heightened uncertainty and unknown future costs.



Withdraw or decline
Some risks become unplaceable for a period of time.



Important context

- Not all stories are equal.
- Well-governed, well-presented risks are less vulnerable.
- Insurers look for behaviour, governance and clarity – not just headlines.
- The best response is transparency, not silence.

EDIA's role



Sense early signals
We read the noise, distinguish signal from story.



Interpret implications
We translate what the story could mean for liability.



Position with clarity
We help frame the risk accurately for insurers and clients.



Protect trust
Open, consistent communication builds long-term consent.



Bottom line

Media stories can influence timing, appetite and terms – not by changing the facts, but by shaping the environment in which insurers make decisions.



Good governance, clarity and early engagement are the strongest antidotes to narrative risk.

What creates confidence?

Confidence isn't about certainty. It comes from clarity, coherence and integrity across the information, the story and the structure.

The foundations



Good information

Complete, accurate and fit for purpose. Gaps are known, not hidden.



Clear scope & triggers

Everyone understands what is being covered, what triggers response, and what does not.



Strong governance

Responsibilities are clear. Regulatory position is understood and managed.



Transparent communication

Open dialogue with insurers, brokers, consultants and clients. No surprises, no spin.

The enablers



Coherent narrative

A consistent, evidence-based story that connects the site, liability and controls.



Right cover structure

Policy form, limits and terms aligned to the project, phase and risk profile.



Realistic planning

Phased approach, clear next steps and practical risk management.



Insurer alignment

Appetite, expectations and behaviour are understood and respected.



Confidence is the sum of many small signals pointing in the same direction. It is earned, not assumed.

What confidence enables



Smoother placements

Less friction, fewer surprises, stronger insurer engagement.



Better decision-making

Clear trade-offs, understood uncertainty, sound judgement.



Stronger relationships

Trust grows when integrity and clarity are consistent.



Resilient outcomes

Policies that respond when it matters most.



Long-term stewardship

Good decisions today reduce harm and protect value tomorrow.



EDIA's role

We translate complexity into clarity.

We test assumptions, reveal gaps, and connect the dots.

We help you make insurable, governable decisions with confidence.



Confidence today builds capacity for the uncertainties of tomorrow. Clarity now is protection later.

Closing reflection

Environmental liability is rarely simple. The strength of a placement comes from clarity, alignment and good governance – not from hope.

When these three pillars are in place, insurers can make confident, sustainable decisions.



Clarity

What is known, what is not, and what it means.

- ✓ Clear understanding of the site, conditions and pathways
- ✓ Transparent disclosure and honest uncertainty
- ✓ Well-defined triggers, exclusions and scope



Alignment

Roles, responsibilities and expectations are clear.

- ✓ Contractual risk is allocated consistently
- ✓ Regulatory position is understood and stable
- ✓ Stakeholders are pulling in the same direction



Governance

Decisions are disciplined, proportional and defensible.

- ✓ Strong decision-making and documented reasoning
- ✓ Good record-keeping and information management
- ✓ Ongoing review as the project and context evolve



Good environmental-risk transfer protects more than balance sheets. It supports good projects, responsible stewardship and long-term value.

“ Environmental uncertainty will always exist. Our job is not to remove it, but to understand it well enough to make decisions with confidence and integrity. ”

Key takeaways



Insurance responds to liability, not contamination. It activates when a covered liability is triggered – not when contamination exists.



The cost of development is not insurable. Insurance is not a solution for construction, remediation or commercial risk.



Context and governance drive insurability. Phase, contractual structure, regulatory alignment and control of risk matter more than chemistry alone.



EDIA's role is to translate complexity into clarity. We help connect the dots, challenge assumptions and build the confidence insurers need to respond.



Thank you for your attention.

EDIA looks forward to continuing the conversation and helping you navigate environmental liability with clarity and confidence.



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