

Sample Contractor Risk Management Report

Prepared for: Example Specialty Plumbing LLC

Prepared by: Reasons Insurance

Purpose: Sanitized sample document for website visitors. This is not a quote, policy, coverage determination, legal advice, regulatory advice, or a recommendation for any specific business.

Executive Summary

This sample report illustrates how Reasons Insurance can organize a trade-specific risk review before presenting coverage options. The example contractor is a small plumbing operation with service-and-repair work, light commercial jobs, two vehicles, several field employees, and recurring certificate requests from general contractors and property managers.

| Risk Area | Sample Indicator | Priority |
|----------------------|---|----------|
| Completed operations | Water-damage claims can arise months or years after installation | High |
| Workers compensation | Class codes should match actual plumbing operations and payroll | High |
| Commercial auto | Service vehicles carry tools and materials daily | Medium |
| Tools and equipment | Mobile equipment may not be protected by a fixed-location property policy | Medium |
| Certificate workflow | Additional insured and waiver requests should be checked before job start | High |

Trade-Specific Risk Landscape

A plumbing contractor's work can create liability long after the job is complete. A fitting, valve, water heater connection, drain line, or pipe repair may fail months later and produce water damage that spreads beyond the original work area. The report therefore starts by reviewing whether the general liability policy includes completed operations coverage, whether the completed operations aggregate is visible, and whether any trade-specific exclusions apply.

Commercial auto is also central to the risk profile because technicians drive to job sites with tools, parts, ladders, and materials. Personal auto coverage is not designed for this use. The review should separate vehicle liability from coverage for tools and equipment inside the vehicle.

Regulatory and Licensing Considerations

This sample assumes the contractor operates in a state where plumbing licensing, continuing education, and local permit requirements may apply. The insurance review is not a licensing opinion. Instead, Reasons uses public and client-provided information to identify where licensing status, employee roles, subcontractor use, or job types may affect underwriting questions.

OSHA-related exposure may include trenching, ladder use, confined spaces, powered equipment, vehicle safety, and job-site hazard communication. The report flags areas to discuss with qualified safety, legal, or compliance professionals when needed.

Business Profile Reviewed

For a real client, Reasons may review public records and client-supplied details such as licensing records, business registration, locations, services offered, vehicle count, employee count, certificate requirements, contract types, and loss history. This sanitized sample does not contain real client identifiers.

Prioritized Risk Mitigation Recommendations

| Priority | Recommendation | Why It Matters |
|----------|---|--|
| High | Confirm completed operations coverage and aggregate limit | Installation work can create future water-damage claims |
| High | Review workers compensation class codes | Misclassification can create audit bills and claim disputes |
| High | Centralize certificate requests and contract requirements | Job starts can be delayed by missing or incorrect wording |
| Medium | Schedule tools and mobile equipment | Tools in vans or on job sites may need inland marine coverage |
| Medium | Review subcontractor insurance requirements | Uninsured subcontractor work can create coverage complications |

Emerging Risks

Contractors face increasing claim severity in commercial auto, higher repair costs for water damage, tighter contract insurance requirements, and more scrutiny around subcontractor controls. A useful insurance review should identify these issues early enough to discuss them before renewal or before a certificate requirement delays work.

Sample Closing

The next step after a risk report is a structured written coverage comparison. That proposal should show each major line of coverage, current gaps or uncertainties, carrier options where available, limits, required actions, and the reasoning behind the recommendation.