

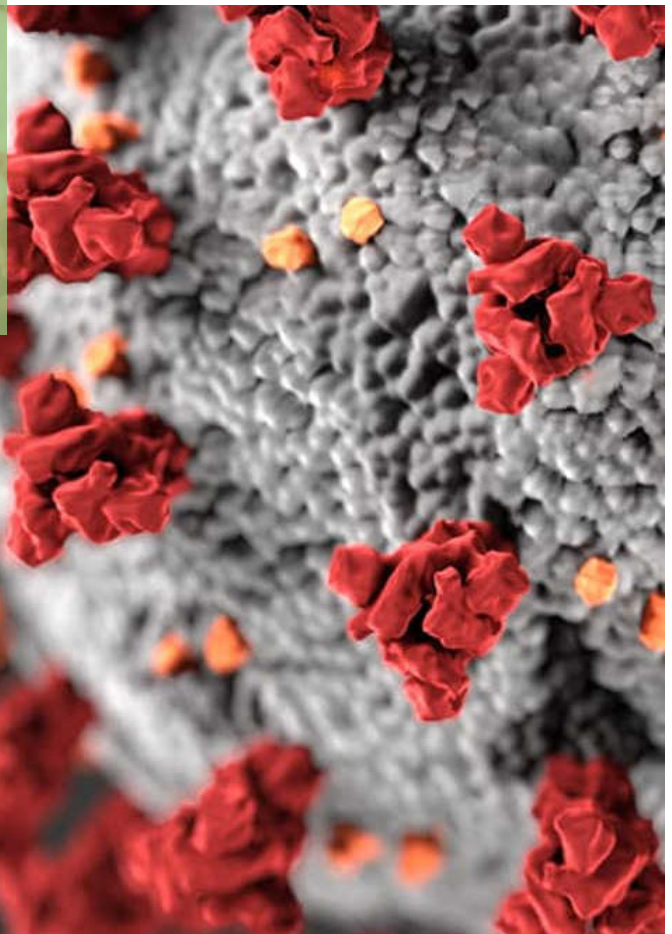


Chartered
Institute of
Ecology and
Environmental
Management

CIEEM
Insurance Services
Administered by the MFL Affinity division of McParland Finn Ltd

Covid-19 & Office Insurance

Insurance for your reputation



MFL

MFL

MFL



Covid-19 & Office Insurance

The impact of the Coronavirus outbreak has been on an unprecedented scale and no aspect of daily life has been left unaffected by the global pandemic. While this may have made things a little less convenient in most people's personal lives, it is likely to have a more significant impact on companies.

On the 5th March 2020, a statutory instrument was passed into law designating 'Covid-19' as a notifiable human disease, with the statement then being issued by the Government indicating that this would allow claims to be made under insurance policies. Unfortunately, the situation in terms of policy coverage is not as straightforward as that statement would suggest.

If you have maintained an Office Insurance policy, it is possible that this will contain cover for 'Business Interruption' claims. However, at this stage, it is far from clear to what extent the policy will respond to any claims in the current circumstance.

When considering whether or not a claim can be made under the terms of your policy, the first port of call should be your insurance advisers, as they will be better placed to advise you on the process of making a claim.

If you place your cover directly, the first step will be to consider the terms of the cover provided under the policy. However, when reviewing the policy wording, it is important to ensure that you review all the terms and conditions and understand the manner in which the cover operates.

For the most part, much of the cover provided is likely to be tied to actual damage to or events that directly affect your office. While it is possible the Government or regulatory pressure may cause the nature of these definitions to be reconsidered, at present no damage has occurred to the property nor have most companies been instructed to cease operating.

Notwithstanding the above, there may be some cover provided under some policies but it is likely to be restricted as what can be considered a loss for the purposes of the policy. By way of an example, the policy may provide cover should you be unable to access your office because of a notifiable human disease, but only for those financial losses that result solely and directly from the inability to access the office.

At this stage, the unfortunate reality is that the stance being taken by Insurers in relation to claims arising out of the Covid-19 pandemic is, like the pandemic itself, an evolving situation with the outcome being far from clear. However, to safeguard your position as far as is possible; we would suggest that you continue to act in a reasonable and prudent manner in maintaining your business insofar as is possible and would suggest that you:

- Ensure you retain records of any additional costs and expenses you have incurred in dealing with the current crisis (i.e. the cost of purchasing additional laptops to allow staff to work from home).
- Keep records of all rent payable and bills that fall due during the current 'lockdown' period.

In view of the complexity of the issues involved, we would suggest that you contact your insurance advisers to discuss matters further.

T: 0161 236 2532

E: info@cieem-insurance.co.uk

www.cieem-insurance.co.uk