

UPDATE 27th APRIL 2020

MS Amlin have amended some of their requirements and the updated position is detailed below, highlighted in colour.

We would like to confirm to you how our policies will respond during the period that we, as a nation, are dealing with the Covid-19 pandemic.

The situation and Insurers responses will continue to evolve, and we will issue updates when appropriate. If you have any queries, please contact us in the normal manner.

The stance adopted by our Property Insurers differ so we will outline their position separately:

AVIVA INSURANCE LIMITED

Temporarily Unoccupied Properties

Aviva has recently communicated their stance in terms of unoccupied properties and we are following suit on our Aviva held business. The details of this are as follows:

Following the recent Government announcements, we have updated our position on Temporarily Unoccupied Buildings.

Firstly, what does 'temporarily unoccupied' mean. We would consider this to be where you have followed Government advice to close the Insured premises and it will be out of use for up to 90 consecutive days.

There is no need to notify us if a Premises has closed temporarily due to the Covid-19 outbreak

Further information on how the business premises can be protected at this time please refer to <https://broker.aviva.co.uk/documents/view/aviva-pandemic-planning-lps-covid19.pdf>

Working From Home

To support the need for employees to work from home, all our Aviva held policies are automatically extended to provide the same level of cover at the homes of employees. This applies to the following covers **where they are already Insured under the policy:**

1. Business Equipment – including whilst in transit to and from their homes
2. Employers' Liability
3. Public Liability

Any existing policy terms, conditions and exclusions will apply and employees should, of course, take reasonable precautions to protect the property.

There will be no charge for this. However, if the Insured has purchased additional equipment or needs, for example, Property Damage cover to be added to the Policy, we will need to consider whether a charge is appropriate.

If employees are using their own computer equipment to work from home, they need to ensure cover is in place under their home contents cover as the business policy will not extend for this.

MS AMLIN UNDERWRITING LIMITED

The Full communication can be found using the following link:

https://www.msamlin.com/uk-temp-closing-premises-coronavirus.html?f24_pid=18478ac1-58b9-4703-84d1-449a3d536130&utm_campaign=UK%20Unoccupancy%20Conditions%20-%20March%202020&utm_source=force24&utm_medium=email&utm_content=textlink

But to highlight the main aspects:

Temporarily Unoccupied Properties

- Whether the premises are fully or partially closed due to the Government's response to the pandemic, we need to be advised of this and any additional security measures that may be required will be agreed by us
- There are a number of housekeeping requirements which **should be followed where reasonably practical to do so whilst operating under government guidelines**, including:
 1. Removal of all combustibles from within the premises where possible or, if not possible, moved at least 2 metres away from all windows, letterboxes and other points of entry and, where possible, moved out of sight of pedestrians
 2. External yards to be cleared of all combustible waste where possible or moved 10 metres from the building
 3. Tanks of combustible liquids to be drained if possible or any outlet padlocked
 4. Any defects in security or premises condition to be remedied as a matter of priority
 5. Letterboxes should be sealed up or an enclosed metal container fixed to the rear of the letterbox
 6. All gas, electricity and water to be isolated as far as possible other than as required for fire or security protection
- The Police and Fire Brigade should be informed that the premises are unoccupied and provided with an up-to-date list of keyholders **where required to satisfy the terms of alarm signalling requirements stated in the Policy**
- The premises to be regularly inspected by a competent person **if reasonably practical to do so whilst operating under government guidelines** and this should be recorded.
- All existing security measures to be put into full and effective operation

Working From Home

If cover is already in place under the Policy for Contents and Computer Equipment, this is extended to being temporarily away from the business premises for up to 60 days up to £5,000 any one claim.

THE FOLLOWING APPLIES TO BOTH AVIVA AND MS AMLIN UNDERWRITTEN POLICIES

Business Interruption

There has been much in the press about any cover being provided under Business Interruption policies. Whilst we can't comment on the whole market, we can confirm the position under our own policies, which does follow what exists in the vast majority of our competitors policies.

In short, there is no cover provided under any of our Business Interruption covers or the extensions available there under.

The standard Business Interruption cover only operates when there has been "Damage" to the "Premises". Clearly, if a premises is shut as a result of this issue is not considered as having being Damaged.

Most Business Interruption extensions operate on a similar basis eg

Prevention of Access – the standard policy cover extended to property in the vicinity of the Premises. So, again, Damage is the trigger for a valid claim.

Public Emergency – this operates when access to a premises, is stopped by the Police due to danger or disturbance in the vicinity of the Premises. Again, not a COVID-19 cause.

Notifiable Diseases – we have two version of this Extension, at the Premises, or in the Area. Both of these cover only the diseases which are specified in the extension and COVID-19 is not specified.

There does exist in the market "Pandemic" Extensions, but these are very specialist extensions and not something we have ever been able to offer.

So, we offer no cover for COVID-19 under Business Interruption and this is the case in much of the UK Insurance Market.

Liability

Our Liability cover provides protection for the policyholder against their legal liabilities to their employees or the public. This includes property damage and Bodily Injury; Bodily injury includes Illness (including resulting death). 'Illness' is not defined so could include legal liabilities incurred from COVID-19 in a situation where the insured has breached their duty of care.

For a breach of duty of care to be considered, the Insured would need to be in contravention of any government guidelines or advice regarding safety at work or travel. For example;

1. By sending an employee to an area affected where the FCO have advised against all but essential travel
2. Not providing essential equipment or guidelines for adequate sanitation
3. By making an employee come to work after they have travelled in an affected area resulting in others becoming exposed to the virus (either employees or the public).