

Rowlands & Hames – Coronavirus Guidance

Version 1 - As at 10th March 2020

Introduction

The Coronavirus outbreak is an unprecedented event in modern times and as the situation develops the response from insurers is also likely to develop.

However, to avoid confusion / provide clarity we can advise the following present positions.

Business/Group Travel Insurance

This may change by the day...

You must be guided by the FCO's website - if that says it's not safe to travel then you cannot travel and any pre-booked trips will be insured.

If you're abroad (assuming it was ok to travel in the first place) and suffer problems (fall ill or quarantined) your policy will respond whilst you are abroad and deal with any unrecoverable costs.

If you have a business event (conference, meeting etc) and that is cancelled, again this is a valid reason not to travel and the policy should respond.

However, if the FCO believe it is safe to travel (or doesn't advise against!) then disinclination to travel (albeit well meaning) is not insured (at the moment but could foreseeable change) - This was the case for Southern Italy until yesterday, and wasn't insured on Sunday but by yesterday the FCO has advised against travel to all of Italy and therefore the policy would now trigger.

Please can all staff (and family of directors and their families) travelling ensure they have their policy number and insurer's helpline details with them if they do travel.

Claims whilst abroad - retain all receipts, any documents, take photos of documents to avoid losing them, perhaps keep names, but most insurers will liaise with medical professionals abroad directly but may get overwhelmed in time.

Personal Accident

There would be no insurance under any Personal Accident Insurance - the disease not being a physical 'accident'.

Business Interruption insurance

We're sorry to say, whilst Coronavirus Covid19 has been declared a Notifiable Disease in legislation, insurers do not rely on the definition of Notifiable Diseases and instead list those Notifiable Diseases they are prepared to cover against loss of gross profit, revenue, profit etc. The list is extensive with some serious diseases covered, the likes of norovirus for example, legionnaires disease, typhoid, but as we say it does not include the likes of standard flue, avian flue, swine flue or Covid19 Coronavirus - sorry!

All the major insurers have confirmed they do not cover the virus and have no intention of extending cover to do so. We have not yet found an insurer who has just relied on the legal term.

Simply put... epidemics/pandemics are more akin to War and Nuclear risks and no one insurer could cope - they simply don't have the information with which to assess the risks beforehand. It is unprecedented as we've seen in Italy.

Business Interruption insurance - Suppliers/Customers Extensions

This cover relates to property losses at suppliers and customers - UK and abroad.

However, it tends to respond to losses involving a property peril - fire, aircraft, explosion etc.

Where suppliers/customers are specified with some insurers 'other' extensions can be linked such as the 'Disease' extension but as we've said the Coronavirus disease is not listed and so there is no insurance.

Working from Home / Employers' Liability risks

Anticipating this within days... we'd suggest a generic risk assessment form be put together, with staff asked to complete etc and self manage - looking for people to be able to work from home safely.... Trailing wires, trips and slips, seating positions (working on laptop on knee may not be best 7 hrs a day), avoid non-fused plug extensions (certainly not those 3 way plug units which set fire) etc. Whether the Govt may suspend HSE risks for working from home we don't know yet.

We're looking for further advice on this but you should start to think about this with your HSE consultant, the rules continue to apply etc. We did come across one site which may be useful - <https://www.worksafe.uk.com/home-working-risk-assessment/>

Computers - those insured with Chubb (with significant amounts of computers)

Your insurer has confirmed should you decide to relocate your static IT (desktops etc) to employees' homes the policy will cover it on an all risks including theft basis including transit to and from (though subject to the £250 Xs) on a warranty free basis.

We are ready to implement such a switch within the next 2 weeks. Our system is not server bases so each PC has individual IP addresses so both our phones and PCs will work on any internet system.

If you are not with Chubb, please contact us and let us know if you propose to take stair IT home and we'll discuss with the insurers.

Working in the office / Employers Liability

Remaining in the office also has its risks... follow government advice as it comes out.

Traveling together in cars even has potential.

Plenty of soap and water, paper towels not hand towels, lidded bins etc etc etc - follow government advice in locality.

Clean phones, door handles, mice, keyboards, kettles, photocopier the list goes on, door entry pads even!

Shaking hands in a no-no now.

Cyber & Cybercrime & Social Engineering

Those of you with cyber and cyber-crime (social engineering) insurance (but probably even more importantly for those who are not insured), please watch out for some very un-timely 'online scams'.

Lots of official looking emails have appeared with links to the likes of the WHO etc., suggesting downloads, cononavirus checklists etc.

These have found to be scams and they infect your systems.

Meetings with public / clients / prospects / third parties

We've stopped inviting people into the office and stopped staff visiting others - protection of everyone. You don't want a negligence claim from anyone.

Event/Exhibition risks - cancellation

Again, few insurers offer communicable disease cover, and those that did make it very difficult and very expensive. The terms are also very restrictive i.e. there has to be an outbreak at the specific location for example...

Life Assurance / Critical Illness / Death in Service / Medical Insurance / Income Protection

Please contact your usual contact should you have any queries. The main R&H Financial Planning number is 01253 598960.

Rowlands & Hames

We have stopped visitors attending our offices and we've seriously reduced our visits to clients for the time being. We're planning to move, when necessary, our telephony to our employees' home addresses and take laptops and desktops home so we can continue to operate as best we can in the circumstances.

Renewals continue and risks change regardless of the Coronavirus - we will endeavour to work throughout the circumstances. We will automatically renew your cases if we do not hear from you in order to protect your interests although will continue to provide renewal terms and options as usual. We can foresee issues with insurers releasing terms in good time, but as we say we will seek to renew if we have not heard from either insurers or clients.

Useful Websites

We would recommend that the following websites are reviewed regularly to keep up to date with advice / guidance:

<https://www.hse.gov.uk/news/coronavirus.htm>

<https://www.nhs.uk/conditions/coronavirus-covid-19/>

<https://www.gov.uk/government/publications/guidance-to-employers-and-businesses-about-covid-19/guidance-for-employers-and-businesses-on-covid-19>