



■ Introduction

As we will all be aware, there is a great deal of news content relating to the Coronavirus COVID-19 outbreak. This is an extremely fast moving scenario, with circumstances and advice changing almost daily. We therefore thought that it would be helpful to issue a bulletin to customers, not only with information about their insurance cover, but also with guidance in respect of their responsibilities to employees and customers. There is also advice regarding the prevention of infection. Such guidance could help to eliminate or mitigate the impact on your business and any potential for subsequent legal claims.



■ Preventing spread of infection

There is currently no vaccine to prevent COVID-19. Therefore you should ensure that you introduce reasonable precautions into the workplace and working practices (such as travelling, receiving visitors and customers, and holding meetings) to prevent the spread of infection. Also, make this part of a formal written risk assessment. There are simple steps that everyone can take to limit the spread of COVID-19 and other viruses, such as flu.

Information and advice, such as that being provided by Public Health England (PHE) and advice on travel is contained in the below links and should be helpful. There is also a link to information provided by ACAS on employers' and employees' rights. This information may be different in Scotland, Wales and Ireland.

- <https://publichealthmatters.blog.gov.uk/2020/01/23/wuhan-novel-coronavirus-what-you-need-to-know/>
- <https://www.nhs.uk/conditions/coronavirus-covid-19>
- <https://www.acas.org.uk/coronavirus>



■ Security for Jewellers in the event of a lockdown by order of a Public Authority

If there is a lockdown we would strongly recommend you act as if "prudent and uninsured". In these circumstances you should reduce your out of safe figure outside business hours as much as possible.

In the event of a Public Authority order, which means you have to shut your business, we would advise that when you close your business, you should use your existing procedures and put in place your normal physical security arrangements regarding locking doors, shutters and putting into operation any other physical security measures you may have, together with setting alarms etc.

In the event that the Public Authorities, especially the police, cannot respond to an incident on the basis you have put your normal security procedures in place, this is out of your control and should not affect your policy cover. This is because you have adhered to your normal procedures and protections.



■ Jewellers' Block Insurance Cover - Material Damage and Business Interruption

Commercial insurance policies are primarily designed to cover loss or damage to property, including any business interruption following this (if this aspect of cover is selected). They are not designed to cater for contingencies such as the outbreak and spread of Coronavirus COVID-19.

Under some Business Interruption policies, there is potentially cover for interruption of the business from notifiable diseases which are generally listed. Even though COVID-19 is now notifiable, it will not be listed in policies as it is a new disease and therefore cover will not apply.

A further extension to the Business Interruption section is Denial of Access. Many policies contain this extension but again the policy requires the denial of access to be as a result of "insured damage in the vicinity of the insured premises which prevents or hinders access to the insured premises". It is unlikely that the definition would include "damage" by a virus.

Also, under the Denial of Access extension, there can be limited cover in consequence of restrictions imposed by order of a Civil Authority due to an emergency arising which is likely to endanger life or property at or in the vicinity of the premises. Typically, however, this would exclude closure due to notifiable or contagious diseases.

Due to the wide variation in policy wordings across the insurance market place, it is impossible to give specific definitive guidance regarding cover available under each type of policy.

The advice we have received from different insurers, however, has indicated to us that it is not the intention that your insurance policy will pick up any losses, directly or indirectly, being attributed to Coronavirus COVID-19.

Policy cover would not operate either in the event of a member of staff being diagnosed with Coronavirus COVID-19 and they, together with any colleagues they have come into contact with, will need to stay at home and self-isolate. However, please see the information below relating to Employers' and Public Liability cover.

■ Jewellers' Block insurance cover - Employers' Liability and Public Liability

Your Employers' Liability and Public Liability insurance covers protect you (respectively) from claims made by employees who suffer injury or ill health due to their work, and from claims from the public for personal injury, illness or damage to their property. As far as COVID-19 is concerned, this would be subject to you being determined to be legally liable for any such injury, illness or damage.

It is worth considering how a liability claim might arise in these circumstances.

An employer has a legal duty to provide a safe place and a safe system of work and to keep any of its staff and customers safe. If a COVID-19 victim believes that his or her employer or any third party has acted in a negligent way which led to him or her becoming infected, then it is possible that a legal liability claim may be brought. Demonstrable evidence that reasonable precautions have been taken by an insured to prevent the spread of infection should help with defending any claim.

■ Conclusion

Coronavirus may be short-lived, or it may continue for a longer period. Risk management measures are the appropriate way to deal with the exposure at present. In the main, apart from the potential cover for legal liability claims, there is no other insurance cover available for Coronavirus COVID-19 under most insurance policies.

We at TH March are here for you to offer advice on matters such as risk management and security and to provide information on your insurance cover.

Please contact your dedicated account manager with any questions you may have.