

Welcome to our Coronavirus Update

I hope you and your families enjoyed your Easter break.

It's almost 3 weeks since we had to rearrange our working environment and processes at AXA. We now have 100% of our staff able to work from home and service levels are strong. This is our 3rd coronavirus update and we promise to maintain this channel of communication until we are through this crisis.

As commerce adjusts to the lockdown conditions I'm sure brokers are being asked for all kinds of advice by their clients. Hopefully some of the information we have been posting in this newsletter and on our coronavirus hub is useful for you – and please feel free to share it with your clients.

On LinkedIn, I have seen loads of examples of brokers going above and beyond, supporting their local communities, raising funds, volunteering time, even sourcing facemasks for Care homes. At AXA we have become involved in many global, national and local initiatives – funding research, providing medical equipment and giving staff time off to help in their communities.

As part of this, in the UK we have just announced a £1M contribution to Business in the Community's new National Business Response Network. This money will be used to help businesses get support to these people that need it most. We hope that our contribution will connect national and local community groups, businesses, local authorities and charities to offers of help from businesses.

We all need to do what we can to help our clients and communities get through this difficult time and I think this is a fantastic example of business pulling together to support groups of people suffering from the effects of the Covid-19 outbreak.

As always, I wish you and your families well.

Regards,

Jon



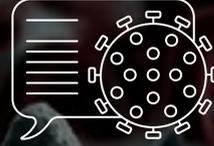


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1. Underwriting

In this section we consider how to conduct building maintenance and repairs, provide guidance on managing home workers and explain how to extend first aid certification.

1.a Building maintenance and repairs

Carrying out essential maintenance and repairs particularly for key industries, life safety considerations, fire and security protection or to satisfy statutory compliance continues to be important.

Some businesses may only have reduced services running, such as IT server equipment supporting staff working remotely from home. Maintenance schedules for some aspects within partially or fully shut businesses / premises may be subject to adjustment during this period depending on the operational requirements. Any adjustment should be subject to risk assessment, to determine the necessary and appropriate minimum levels required and should consider the overall work necessary required to reactivate when returning to normal operation.

Further information can be obtained from the following websites:

<https://www.bafe.org.uk/bafe-coronavirus-covid-19-update-01-04-2020/>

<https://www.thebesa.com/media/837544/sfg20-building-maintenance-guidance-covid-19.pdf>

<https://www.leia.co.uk/covid-19-what-is-essential-maintenance-work/>

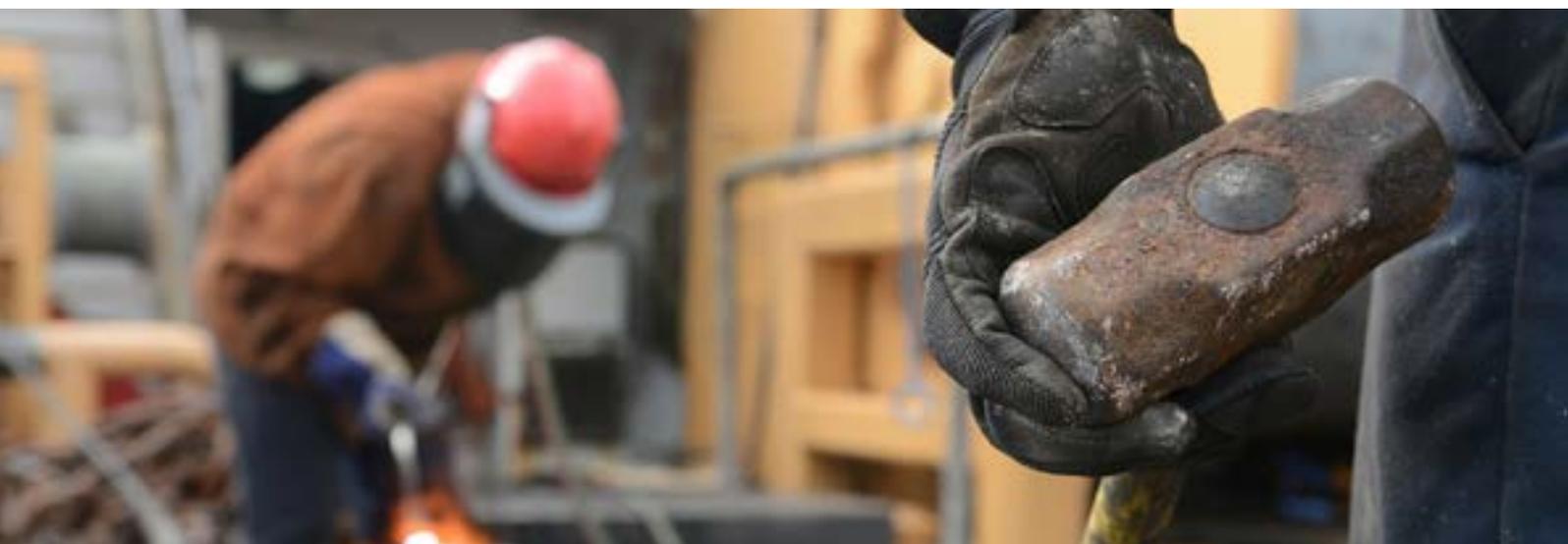
These guidelines would not override any existing policy conditions.

All activities must only be undertaken in line with the current guidance issued by HM Government.

<https://www.gov.uk/coronavirus>

Further guidance can also be found at

<https://www.abi.org.uk/products-and-issues/topics-and-issues/coronavirus-qa/>





1.b Home Workers

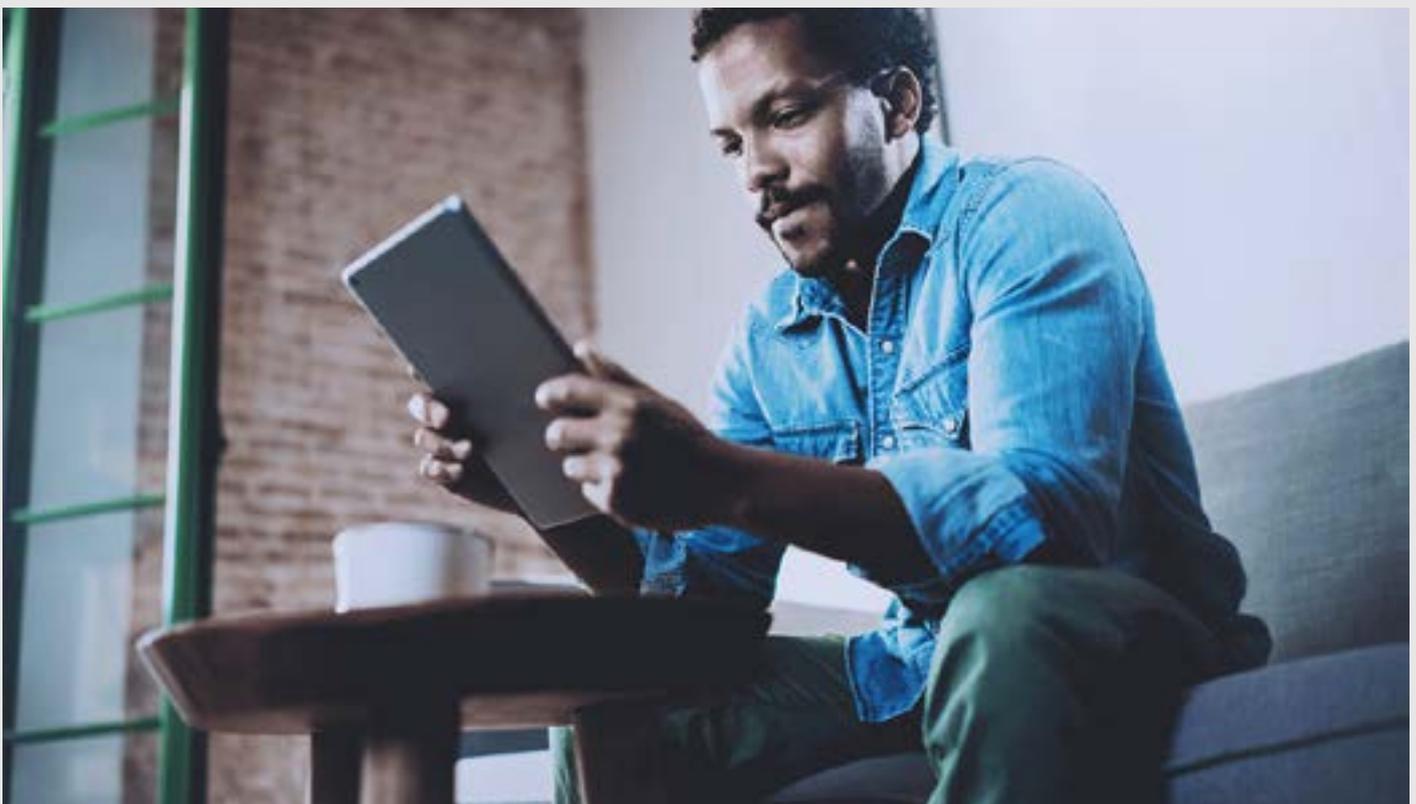
With many more employees now working from home, the HSE has updated guidance about use of Display Screen Equipment in a Home Environment. They have also reminded employers they have the same responsibilities towards home workers as any other employee – this includes Lone Working situations and Mental Health issues.

When someone is working from home, permanently or temporarily, as an employer you should consider:

- How will you keep in touch with them?
- What work activity will they be doing (and for how long)?
- Can it be done safely?
- Do you need to put control measures in place to protect them?

More information can be found at

<https://www.hse.gov.uk/toolbox/workers/home.htm>



1.c First Aid Certification Extension during Covid-19 restrictions

If you hold a first aid certificate that expires on or after 16th March 2020, and cannot access requalification training because of coronavirus, you may qualify for a 3-month extension.

This applies to:

- First Aid at Work (FAW)
- Emergency First Aid at Work (EFAW)

To qualify for the extension, you must be able to explain why you haven't been able to requalify and, if asked to do so, demonstrate what steps you have taken to access the training.

If first aid cover for your business is reduced because of coronavirus, or you can't get the first aid training you

need, there are some things you can do to still comply with the law.

You should review your first aid needs assessment, and decide if you can still provide the cover needed for the workers that are present, and the activities that they are doing.

If there are fewer people coming into your workplace, it may still be safe to operate with reduced first aid cover. You could also stop higher risk activities.

More Information can be found at

<https://www.hse.gov.uk/news/first-aid-certificate-coronavirus.htm>





1.d Your questions answered

Here are the latest questions received into our covid19@axa-insurance.co.uk mailbox and our responses to them.

You'll find more of your questions, and our answers to them, on the [Coronavirus Hub](#).

Liability Cover

A carpet fitter client has the potential to work in an unoccupied warehouse where there is no one else around. Are they covered for PL if they choose to do this whilst the lockdown rules are in place?

There is no insurance reason not to proceed, provided the client is following Government advice (including the need to strictly self-isolate if currently infected with, or suspected of infection with the virus) and conducting risks assessments if any employees are involved.

Goods in Transit Policy

If a client has a goods in transit policy due for renewal, but the shop is closed, and they are not delivering any goods, if the policy is renewed can they get a rebate or an extension once they start trading again.

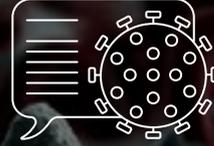
No, this is an annual policy and there is no mechanism to renegotiate the terms of the policy mid-year.

Motor Fleet

The client has furloughed all employees and the vans are currently idle. One employee is volunteering for emergency services and will be collecting a despatch of food. The client has offered one of the company vans, given that they are not in use. Please can you confirm that this is OK?

Assuming the vehicle has not been SORN'd and laid up, we are extending cover to include volunteering to the emergency services, hospitals or social care (delivery of food etc to people in isolation or without transport) provided it is unpaid / not undertaken for a profit.





Property Owners

Do I need to disclose that my tenants are working from home?

No.

Is the tenant's business equipment covered?

No, we would expect the tenant, or their employer, to arrange any cover required in line with the cover we're offering under our Home contents and Business contents policies.

Does the policy cover a deep clean of the property if the commercial occupants, residential tenant, their household or anyone else living in the property become unwell due to Covid-19 or any other illness or disease?

No, our policies do not cover cleaning or contamination risks.

Do I need to disclose that I am currently unemployed and/or that my tenant is currently unemployed (including furlough workers), due to Covid-19 or the Government containment measures?

You do not need to disclose a change in circumstances solely due to Covid-19, but will need to disclose material facts that become ongoing.

If a friend or carer is staying with the tenant during self-isolation, or whilst we are being instructed to stay at home, does cover continue?

Yes, policy cover is not affected in these circumstances.

Does the policy cover loss of rent should the commercial property close, or the residential tenants become unemployed?

No, AXA Real Estate / Property Owners policies cover loss of rent arising out of defined events, which do not include Bad debts, insolvency or unemployment of the tenant.

What is the situation if the property is now unoccupied due to the Government closure of commercial property, and my residential tenant is unwell, hospitalised, has passed away, or is unable to travel home due to Government guidelines relating to Covid-19?

We confirmed that we will extend all policies to include a period of 60 days temporary unoccupancy due to Covid-19, including tenants implementing furloughing or working from home. This would include hospitalisation or unavoidable absence of the tenants. If the property becomes more permanently unoccupied, including due to the death or insolvency of the tenant, cover is limited to our normal terms, but we would recommend the landlord, or their broker, contact us to discuss what options are available.

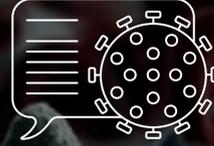
Where a commercial premises is currently closed due to government restrictions, would it still be classed as occupied, given that a tenant and tenancy still exists but the government is preventing opening?

We would view these as temporarily unoccupied.

What is the consequence if I cannot conduct the required regular inspections due to Government guidelines relating to Covid-19?

We are not aware of any current regulations that would act as a bar to continuing existing regular inspections of empty premises, provided normal risk assessments and advice are followed. If any customer has special personal circumstances which mean they feel they, or their household, are at special risk, there are a range of security companies that can act as a keyholding service.

One company that works extensively with AXA and our customers is First Response Group (axa@firstresponsegroup.com or 03300 415 008).



2. Claims

In our Claims update we explain how we're maintaining service and how we're managing our overall resource to support increased travel claims. We also outline how One & Done and cash settlements can speed up the resolution of claims.

2.a Service Update

We continue to work with our people to increase the numbers working from home, but their safety and wellbeing remains paramount.

We are now arranging, where possible, to close most of our offices with only key essential tasks, requiring particular equipment, being maintained. Technology in terms of systems and telephony access are both holding up very well and our teams are available to you.

2.b New Claims

There have been reductions in certain classes of business, mainly in the Motor and Casualty areas, with an expected increase in the number of Business Interruption enquiries. We are flexing our resource to the required areas to support service.

On the Personal Lines side, our travel claims team have also seen an increase in the volume of claims and enquiries, so our home and motor claims teams are supporting. With the reduction in notifications comes the opportunity to address specific tasks, so we are focusing on our stock to ensure that we are in a better position once we are through this situation.

2.c Claims Processes

Last week we reminded on our One & Done process. Within Commercial Property we continue to explore opportunities to settle claims as efficiently and effectively as possible despite the current challenges brought by Covid-19. These opportunities range from our award-winning One & Done process, use of in-house desktop technology, utilising cash settlement where appropriate, right through to utilising our own in-house Surveyors.

Claims Inspectors/Field Services/Surveyors: as mentioned last week, whilst we can't make visits, we are focusing on more desktop support to all our policyholders and claims areas. To this end, remote video access to properties is being used to keep claims progressing. We have also ensured our Business Resilience Surveyors are able to use this same technology to help advise on survey activity.

Suppliers: no significant changes since our last update. We continue to work with and speak daily to all our Suppliers about the challenges we jointly face in the current climate.



3. Business Support

In this Business Support section, we update on what's new on the radar Coronavirus portal and we've two new radar spotlights to share with you – on Force Majeure and Lay-off & Short-Time Working.

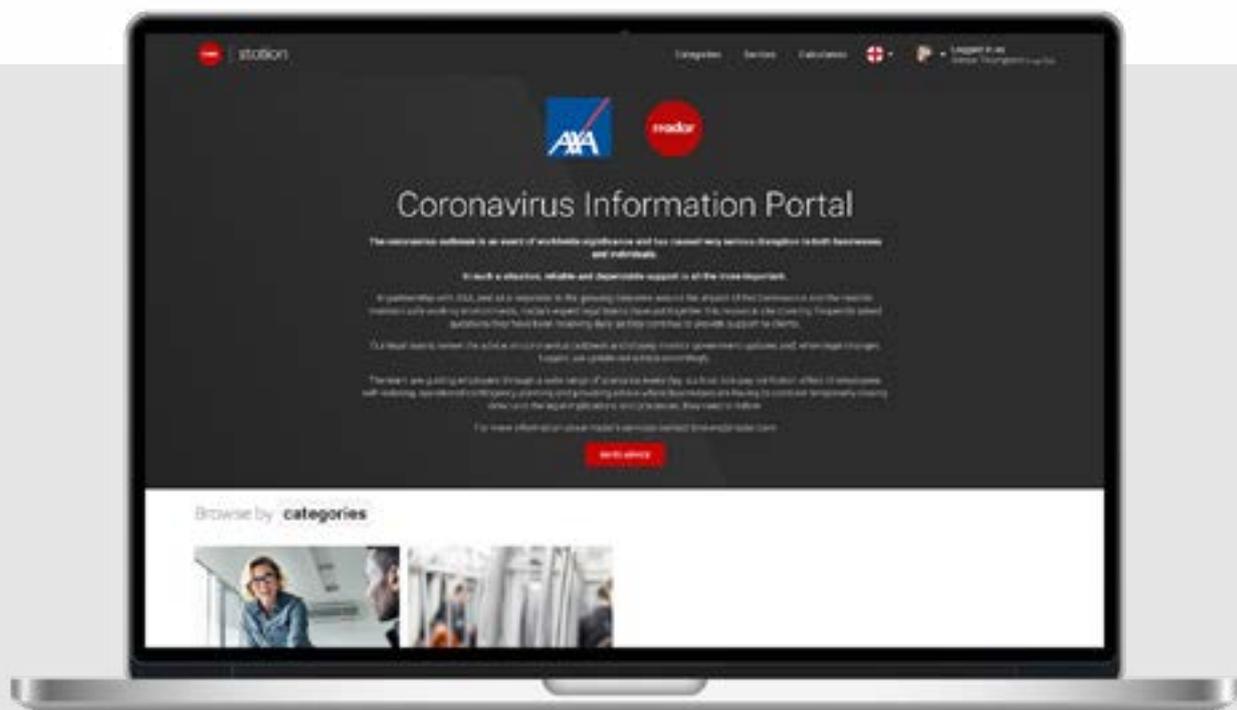
We've also included some information from other parts of the AXA group, including protection against cyber-attacks from AXA XL, and details of a 30-minute Wellbeing webinar from AXA PPP Healthcare.

3.a radar Covid-19 portal

Working with radar, a specialist legal services provider, we have created the radar Covid-19 portal to bring you the very latest news on the Coronavirus crisis, how it is affecting business and what steps you can take to protect both your company and your employees.

To access the radar Coronavirus portal a simple registration is required (name, email, password) – [click here to register](#).

Information on the range of support content for brokers and your customers on the radar Covid-19 portal is available [here](#). Resources include downloadable templates for use by employers, together with practical and clear FAQ guidance on a range of topics from sick pay to the different financial packages available to businesses. Simply register to access.





3.b What's new this week on the rradar Covid-19 portal

The portal is designed to help you and your customers keep up to date and navigate the many and varied complex issues that have arisen in the current climate, by closely monitoring the unfolding legal, regulatory and economic developments.

The Coronavirus Portal by rradar

What's new this week

➤ [Click here to log in and register to read the full articles](#)

Power to require information relating to food supply chains

One of the most visible results of the Coronavirus pandemic has been the disruption to food supplies. To ensure that this is resolved as quickly and effectively as possible, organisations involved in the food supply chain can now be asked to supply information to relevant authorities. Find out what is required, who is affected and what the penalties for non-compliance are in our new article.

Reducing the risk of cyber-attacks during Coronavirus

Millions of employees who would normally work in office environments with robust cyber security measures are now working from home during the Coronavirus pandemic. As a result, there has been a surge in the number of cybercriminals exploiting uncertainty, anxiety and inexperience. Ensure your workforce is up to date with the necessary safeguards and protections in a new article by our Cyber, Data and Information Law Team.

Coronavirus and Health and Safety at work

In order to protect the health of employees and customers, many businesses have had to close during the Coronavirus pandemic. For those who remain open, or who have their staff working from home, the normal H&S regulations will apply, albeit with important amendments. Our expert H&S advisors have analysed the changes and update you in our new article.

Driver Safety during the Coronavirus Outbreak

Two new developments regarding the rules governing haulage drivers have been announced. They concern changes to drivers' hours regulations and guidance on allowing drivers access to welfare facilities when they are making deliveries. It is important that businesses in the haulage sector are aware of the changes, which are explained in our new article.

Coronavirus and lay-offs

The Coronavirus outbreak has caused considerable disruption to many businesses. In order to cope with this, a wide range of options are available, one of which is the use of lay-offs or short time working. Our Employment team has produced an article to explain what these mean and whether they are the right choice for your business.

RIDDOR Reporting and COVID-19

RIDDOR is normally used for reporting workplace accidents or diseases involving hazardous substances or activities, but now it needs to be used for another purpose - notifying the HSE if someone has been exposed to the Coronavirus. Our new article outlines what you need to know and do if this happens in your organisation.

Health Protection Regulations for Individuals

One of the most significant changes during the Coronavirus pandemic is the sweeping restriction on people's movements and activities, and there have already been court cases involving individuals charged with breaching the restrictions. But what exactly do the regulations say and what can people do - or not do? Our article tells you what you need to know.

Download to read the full article.

Existing AXA MLP customers

For customers already registered they can of course access the full rradar station resources <https://station.rradar.com>

If you wish to organise access for your AXA MLP customers please email [rradar at contactus@rradar.com](mailto:rradar@contactus@rradar.com)



3.c Spotlight Articles

Force Majeure

Businesses should carefully consider their contracts and obligations during the coronavirus outbreak. What are the options for companies if they are unable to fulfil their obligations in contracts?

Force Majeure

Businesses should carefully consider their contracts and obligations during the coronavirus outbreak. What are the options for companies if they are unable to fulfil their obligations in contract?

Where a party is unable to fulfil a contract for the supply of goods and/or services exclusively due to the impact of the coronavirus, there are two main potential ways to discharge the contract, namely 'force majeure' and frustration.

Force majeure is a term used to describe an event that is beyond the control of the parties and which ultimately then prevents them from fulfilling their obligations in contract or makes fulfilling the contract impossible.

Force Majeure Clause

Parties should first check to see whether the contract contains a force majeure provision. This may often be presented differently, for example a description of an 'exceptional event' would be a force majeure provision. It would be advisable to check whether this extends to such an event like a pandemic or if the clause allows the inference of such an event - some clauses may be wide and reference any event beyond the reasonable control of the parties. If the contract does contain a force majeure clause, or similar, it cannot be assumed that such provisions will necessarily be triggered by coronavirus. This will very much depend not only on the wording of the provision, but also on the impact which coronavirus may have on a party's performance. Parties should consider:

- Is force majeure a defined term within the contract?
- Are there any examples provided in the contract such as epidemic, pandemic, or Government sanctions?
- What is the impact of coronavirus on performance?
- What steps have you taken to mitigate the effect?

Parties will need to consider if the completion of contract has been completely prevented or if it has been simply made more inconvenient or expensive. If it is either of the latter two then it may not be enough to discharge the contract. A force majeure clause may also stipulate what is to happen in such an event whether that be a pause, a right to terminate after a certain time, a right to vary the contract or automatic termination. Any clause may also state what will happen if such an event occurs, for example, what happens in respect of payments both past and future.

Contract Frustration

In the event that a contract does not include an express force majeure clause, the contract may be considered frustrated. Contract frustration occurs when the contract becomes impossible to perform and therefore cannot be completed. This can often be a high threshold to meet on the basis that performance of the contract must be rendered impossible rather than difficult or expensive to rectify. If a contract is frustrated, the contract will immediately be terminated, and both parties released from their future obligations.

As the parties released from future obligations, the goods or service to be provided would not be and future payment would not be required. Frustration would not impact upon the requirement to pay for work done to date. Where there has been payment up front for work not yet carried out, or perhaps on partially carried out, or a deposit has been paid, these sums should be refunded, minus reasonable costs incurred or work done.

One of the key instances in which frustration may occur is when a contract becomes illegal to perform. In the case of coronavirus it could be argued that because the Government ban certain actions it therefore becomes illegal and impossible to fulfil the contract. If this is accepted any obligations under the original contract cease and the work to date is paid for, before both parties go their separate ways.

Further information about contracts and coronavirus is available on the radar Coronavirus portal.



Written by:
Tim Hornby, Commercial Disputes Solicitor at radar

Disclaimer

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[Download](#) to read the full article.



Lay-offs and Short-Time Working

During the unprecedented times that we face due to coronavirus, many businesses have been adversely affected and had their work and business severely disrupted. They may need to either temporarily reduce their workforce or halt work within the business.

Lay Offs and Short-Time Working

During the unprecedented times that we face due to coronavirus, many businesses have been adversely effected and have had their work and business severely disrupted. They may need to either temporarily reduce their workforce or reduce or halt work within the business.

In some circumstances a redundancy is appropriate but this is a permanent decision, and coronavirus is, hopefully, a temporary situation. An alternative for an employer is to consider the use of layoff or short time working provision in a contract of employment. This allows for temporary measures to be put in place to allow the business to survive a difficult period.

Lay offs and short-time working

A layoff is when an employee is temporarily asked to stay off work their employer for at least one working day. Short-time working is when an employer decides to cut down the hours of their workforce. There is no limit for how long layoff or short-time working can occur.

The Government guidance on support for employers is developing fast and changing day to day. Recent guidance introduced include the job retention scheme and further support for self-employed persons.

Layoffs and short time working are potentially less beneficial to an employee than other forms of support available that have been introduced during the Coronavirus pandemic. For example, an employee placed on 'furlough leave' under the job retention scheme may be entitled to be paid 80% of their wages up to £2,500 a month, whereas under a lay off or short time working, the payment entitlement of the employee is minimal.

Accordingly, an employer should ensure they make themselves aware of all options before determining that a layoff of their staff or implementation of short time working is necessary.

When can they be implemented?

Lay offs and short time working can generally only be implemented if you have a clause in the contract of employment or a collective agreement giving you the express right to lay off employees without pay or with statutory guarantee pay and to require short-time working with a proportionate reduction in pay.

Where possible, the clause or agreement should include details of the circumstances in which it will be used, the amount of pay (if any) the employees will receive during the layoff or short-time working and the maximum duration of the layoff or short-time working period. The amount of flexibility available to the employer as to how hours are reduced and the extent of the reductions, how long the arrangements can last for, or who is selected may depend on how the contract or agreement is drafted.

What if there is no clause or agreement outlined in the employment contract?

In the absence of such a clause or agreement, compulsory layoff or short-time working would amount to a fundamental breach of the employment contract. A tribunal would normally take into consideration what is expressly agreed between the parties but the safest route is to agree to review the position after a specified period.

Without this power, employers who have insufficient work for their employees to do as a result of the coronavirus pandemic and who send them home may not be breaching contracts, provided they continue to pay the employees the wages or salary that they would normally receive. This of course does not support a situation where the aim of laying off or reducing hours is to save costs in a time of crisis for the business such as that which may be arising due to the coronavirus.

Further information about layoffs, short time working and coronavirus is available on the radar Coronavirus portal.



Written by:
Tom Bernard, Employment Solicitor at radar

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Download to read the full article.

To download other radar Spotlight PDFs (Introduction to Furlough & VAT Payment Deferral) please visit <https://www.axaconnect.co.uk/coronavirus-hub/>

Alternatively [click here to register](#) to access all of the radar Covid-19 guidance and practical templates available to brokers.



3.d Managing cyber-attack risk during the coronavirus outbreak

The requirement for organisations to hastily migrate their workforce to home working is resulting in many workers spending long periods online, using work equipment that is connected to their domestic broadband, usually via Wi-Fi.

The speed of this migration has led to staff using their work equipment for both work and leisure activities. This is being done without the appropriate IT infrastructure, available expertise, data governance, risk management strategies and general preparation needed to support this form of working.

At the same time, cyber criminals are using this opportunity to take advantage of the lack of effective security and peoples' fear of, or curiosity about, the coronavirus. Their aim is to convince employees to click on malicious sites, related to the virus, leading to increased risk of successful malicious phishing campaigns or breaches in security.

Reports show that more than 4,000 coronavirus related domain names were registered in the last few weeks. Many of these are malicious, including one site that lures victims by persuading them to click onto a coronavirus tracking app that downloads a virus or trojan onto the computer, that then goes on to infect the organisation's system the next time the employee logs on.

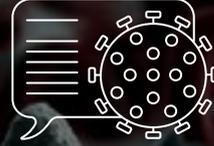
The sheer volume of phishing emails and other security threats related to coronavirus includes international gangs sending over 1.2 million malicious emails at a time.

Many organisations are discovering too late that the human factor is the weakest element in their cyber security chain. Poor training and ineffective enforcement of remote work policies are leading to their IT security being compromised.

To have any chance of surviving a cyber-attack during the coronavirus lock down, it is essential that organisations implement fundamental safeguards to ensure company data and networks remains secure such as:

- advice and information to employees setting up security on their home wi-fi
- guidance / rules on using public wi-fi networks, or preferably mandating employee use of private Wi-Fi networks
- ensuring employees only use work e-mail accounts for business and limiting devices or equipment they can use
- ensuring that staff are adequately trained, restricting work equipment to business-related tasks only
- requiring multifactor authentication for business apps and networks
- implementing robust VPN infrastructure
- reminding employees to be vigilant for possible increases in phishing attempts
- having a communication plan for reporting suspected breaches or phishing attacks

Courtesy of AXA XL, to find out more please [download the Cyber Risk Alert PDF](#), or access the dedicated AXA XL cyber security advice on their [website](#).



Coronavirus and Data Protection – ICO guidance

The Information Commissioner's Office (ICO) recognises the unprecedented challenges that everyone is facing during the coronavirus (Covid-19) pandemic, especially with organisations needing to share information quickly or adapting the way they work.

The latest ICO Coronavirus guidance can be found at

<https://ico.org.uk/for-organisations/data-protection-and-coronavirus/>

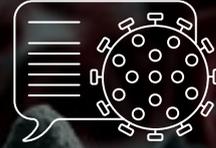
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3.e Wellbeing and Resilience: Coping with change and managing uncertainty

Courtesy of AXA PPP Healthcare, in this 30-minute webinar Dr Mark Winwood and Eugene Farrell explore how best to cope, manage and thrive during unsettling periods, by understanding our physiological and cognitive responses when dealing with emotions, stress and feelings of uncertainty.



To access the webinar click [here](#).

