

UK businesses set to face a wave of Covid-19 related insurance claims

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According to research for Gallagher, the global risk management and insurance brokerage, the survey of 200 CMCs, 1,000 senior business decision-makers, and 2,000 UK workers showed that seven in 10 (70%) have already had claims registered. The research also predicted a 40% rise in litigation compared to previous years due to Covid-19 with three – quarters (76%) of companies say the real impact is likely to be felt from the spring and into summer.

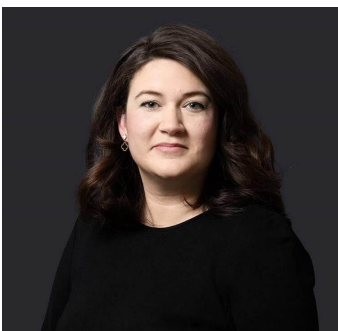
Kevin Lawson, insurance lawyer at Browne Jacobson, said:

“It is a complex insurance landscape at the moment where we expect the key claims drivers to be employment claims driven by those working from home with inadequate work equipment, training and IT challenges causing injury claims for stress with potential employment claims for bullying, harassment and constructive dismissal. There are also likely to be EL claims for eyesight risks using VDU equipment and repetitive strain injury claims from inappropriate home working environment set ups. Some businesses, such as those operating in a care home or health setting, are particularly vulnerable to Covid transmission risks.

“On the flip side, we will see a significant reduction in motor claims and possibly in manufacturing claims as production lines reduce workloads through Covid lockdowns as well as Brexit supply issues.

“The advice for businesses is carry out ongoing risk assessments and put suitable actions in place to mitigate developing risks in accordance with government advice.”

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