



Clearly insured. Commercially assured.

Friday saw The Supreme Court deliver its judgement in the Financial Conduct Authority (FCA)'s Business Interruption test case, dismissing the appeal over the verdict handed down by the High Court last September.

Read the official judgement in full from the Supreme Court [here](#).

The outcome of the appeal is likely to be celebrated by many across the UK who have been eagerly awaiting a decision as to whether their Business Interruption insurance would cover them for Covid-19 related losses.

The case itself, according to the FCA, saw the scrutiny of 14 types of policy issued by 6 insurers and a substantial number of similar policies in the wider market which will now lead to claims being successful.

Statistics published in [The Insurance Times](#) indicate that around 370,000 policyholders will benefit from the result following the UK's highest court confirming that around 700 policies at 60 different insurers could be affected by the result in addition to the specific policies that were reviewed as part of the test case.

Whilst it appears to end a six-month legal battle it should be noted that most claims will still have to be looked at on a case-by-case basis before any payments can be made. This is because the decision will come down to the complex and specific wordings & phrases used within each insurers policy documentation.

According to [Insurance Business Magazine](#) Hiscox, one of the defendants in the case, have confirmed their estimate for 2020 Covid-19 business interruption increased by \$48 million net of reinsurance as a result of the Supreme Court's ruling as well as further government restrictions announced last year.

**Please note that the judgement handed down by the Supreme Court is only relevant to policies that have the type of 'ambiguous wording' that was investigated and brought to appeal by the FCA, Hiscox Action Group and six of the eight insurers involved in the test case. Many other Business Interruption wordings do not provide the cover and the result of this appeal will not change this.**

The FCA has also stated that insurers should be communicating swiftly and directly with policyholders who are affected to make sure payments are made as quickly as possible. According to the [FCA website](#) policyholders with affected claims can expect to hear from their insurer within the next 7 days.

Here at [The Bletchley Group](#) we continue to keep a close eye on the situation and any developments that may occur. Currently our claims team are working tirelessly on your behalf to secure payments for those who are eligible, and we would appreciate your patience whilst we progress this and work with insurers to manage each claim to its resolution.

Please feel free to [contact us](#) should you require further information or advice.