

Almost no insurance claims paid out under business interruption cover – survey find

[Donal O'Donovan](#) Irish Independent June 08 2020 11:43 AM

Almost no Irish businesses has been paid out on business interruption insurance claims since the Covid-19 lockdown, according to a survey by lobby group the Alliance for Insurance Reform.

A third of businesses have made a claim with their insurer and almost two thirds of those claims have been rejected, according to a survey of 2,095 businesses carried out among between May 29th and June 7th.

In most of the remaining case customers (33pc) are awaiting a decision by their insurer on the claim, with 2pc of customers escalating claims via the Financial Services and Pensions Ombudsman (FSPO) or legal action.

In addition, more than a fifth of business who have renewed their insurance cover since the onset of Covid-19 have seen a rise in their premium.

The Chair of the Alliance's Covid-19 Working Group, Michael Magner, who owns Cork's Vienna Woods Hotel called for the State intervene.

“The Department of Finance must get insurers to play their part. The suggestion that this Covid-19 crisis may prove to be a financial Armageddon for insurers is completely undermined by the relatively low level of requests for business interruption payments or forbearance,” he said.

“The Central Bank must equally intervene aggressively on behalf of policyholders. General statements are not enough; and the Financial Ombudsman (FSPO) must fast-track complaints already received to give urgent clarity to policyholders on where they stand.”