

Treasury Committee

House of Commons, Committee Office, London SW1A 0AA

Tel 020 7219 5769 Email treascom@parliament.uk Website www.parliament.uk/treascom

Huw Evans
Director General
Association of British Insurers
One America Square
17 Crosswall
London
EC3N 2LB

25 March 2020

Dear Mr Evans,

It is a concerning time for all of us in the face of the Coronavirus threat. As such, many will be looking to their insurer for both flexibility and assurance.

The Financial Conduct Authority's (FCA's) recent communication to insurance firms, ***Insurance and coronavirus (Covid-19): our expectations of firms*** (19 March 2020), was clear on what the regulator will require of firms.

In the light of that communication, and to further understand the industry's response to the coronavirus, I would be grateful for the following information in relation to your members:

- How many of your members (by type of cover, e.g. commercial, travel) have ceased to offer a product since the onset of the crisis?
 - Where products have ceased to be offered, can you provide the type and number of products that have been taken out of the market?
- How many of your members (by type of cover) have changed the terms of a product:
 - While it is in force (number of products and type)
 - At renewal (number of products and type)
 - At initial purchase (number of products and type)
- Can you provide examples, by product, of how policies have changed, while in force, at renewal or at initial purchase?
- Can you provide, on a weekly basis since 1 January 2020, the aggregated number of policies sold by type of cover, separated by renewal or initial custom?
- Can you provide information on how firms have communicated to customers, both current and potential, how things have changed in the market, and where exclusions, or changes in when policies can be called upon, have also changed?
- Can you provide an estimate of the amount of money, in aggregate, your firms expect to pay out for business disruption in the face of the coronavirus?
- Can you provide details of the approach that your members are taking in respect of business interruption insurance, given the government's recent announcements concerning the effective moment of the requirement for businesses to close?

- Can you provide details of the approach that your members are taking regarding the provision of cover for the costs to business relating to Covid-19 and where there may be some flexibility shown in respect of this element of potential cover?
- Given that the NHS has secured an agreement to use private hospital facilities and staff, what are the implications for the cover that firms are able to provide to individuals with private health insurance policies?

I recognise the challenges in providing this data, but I would be grateful for a swift response, including in separate letters if certain data and information proves easier to attain than others.

I am copying this letter to the Financial Conduct Authority and shall be placing this letter and your response in the public domain.



Rt Hon. Mel Stride MP
Chair, Treasury Select Committee