

How can COVID-19 affect the Agreed Conduct Provisions within a Rights of Light Insurance Policy?



During a period when developments are in lockdown, it is vital that clients review agreed conduct conditions within their rights of light policies.

Within some rights of light insurance policies, there are provisions that require a developer to actively seek a release from one or a number of properties that have been affected by a loss of light. This is called agreed conduct, or a proactive approach.

The policy will provide clear instructions about the negotiation of the release and the conduct that the developer must follow, as well as mandating certain timescales within which this must be completed. For example, the developer, in most instances, will be required to start negotiations within a certain timeframe following inception of the policy.

The process is generally:

- 1 The surveyor approaches the affected parties and requests entry to their building to measure the true light loss
- 2 The affected parties appoint a surveyor and allow access
- 3 Once the loss is measured and agreed by a surveyor, the negotiations take place

During these challenging times, the difficulty arises in measuring the light loss and surveying the building. Not only will travelling to the property be against government guidelines; there may not be anyone at the property to let the surveyor in!

What should I do to avoid breaching my policy?

There are a number of steps you can take to ensure policy compliance:



Speak to your broker – the broker can make the insurer aware of the situation and of progress made to date

Speak to the affected party
- floor plans may be available for commercial buildings by asking the affected party (albeit they may not include tenant partitions), though in the case of residential, this is unlikely.

Speak to your surveyor – they may have enough information to begin negotiations and if the offer is reasonable, the affected party may agree a settlement. If not, and measurements need to be taken, make sure that the insurer is aware of the developments.

Communication is key; keep your broker up to date with your negotiations to ensure that the insurer is fully apprised of the situation.

Would you like to talk?

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