

GUIDELINES FOR UNOCCUPIED BUILDINGS

RISK MANAGEMENT ADVICE NOTE

Whenever buildings are left unoccupied, they pose a higher risk of damage due to vandalism, arson, undetected weather damage etc. and many insurance policies will impose special terms and conditions in an attempt to reduce the insurer's exposure. For example, all insurance cover may cease if a designated period of unoccupancy is exceeded. Nowadays, it is common to see real estate company signs advertising the fact that the building is vacant, so this raises their profile somewhat.

To reduce the exposure to loss and damage in unoccupied buildings it is recommended that the following guidelines be used.

GENERAL TO ALL BUILDINGS

Insurance

Communicate to your broker about any unoccupancy and explain which of the following control measures you have adopted. If possible, indicate an expected timeframe, and remember to inform your broker as soon as you realise this might be overrun.

Security – Doors

- Keys – check that all keys have been returned to property agents.
- Check all doors are locked and that the locks are working.
- All doors except for the main entrance door, or door used for access, should be bolted top and bottom on the inside.
- Check door fits closely to frame and that the lock fits securely into the keeper.
- Any sliding door should be bolted on the inside with suitable devices to prevent the door being lifted off the track.
- Check doorframes are securely fastened to the structure.
- For long-term unoccupied buildings, consider providing additional security on vulnerable doors (e.g. steel plates and grilles, etc.)

Security – Windows

- Check that all windows are closed – even the smallest window can be used to gain entry into the building. If window locks are fitted, ensure that they are fastened.
- For buildings that are known to be empty for long periods of time consider providing grilles or bars on vulnerable windows.

- Check that there are no broken windows. If any broken windows found, have them repaired as soon as possible.

For buildings of high value, or properties in high-risk areas, consider arranging regular security patrols or checks to ensure that the physical protections have not been compromised.

Fire

Fires in unoccupied buildings can develop undetected and spread rapidly, causing large losses and severe damage to the property.

As soon as the property is vacated have the following checks made.

- Remove rubbish and other potential ignition sources from inside and outside the property. Any build-up of rubbish provides easily ignited fuel for arson attacks, and also clearly indicates the building is empty. For long-term unoccupied buildings, conduct monthly checks and remove any rubbish from around the site.
- Remove any furniture left in the building to a storage facility.
- Ensure gas and electricity supplies are isolated.
NB: check that there are no fire or intruder alarms fitted before turning off power. **If alarms are fitted, leave power connected to alarm panels and withdraw fuses or switch off MCB's to other circuits.**
- Ensure there are no flammable liquids or gases left on the premises and check that any gas cylinders have been removed.
- Ensure that any heating gas/oil tanks have been emptied, and that the tanks have been de-gassed.
- If a Dangerous Goods Store was provided when the site was occupied, check that all flammable materials have been removed, including their containers.

General

- Ensure that the regular maintenance regime is continued including guttering, roof, gardens and trees, lawns.
- Isolate water supplies. **NB:** check before isolating the water to ensure that there are no fire sprinkler installations. **Do not isolate water supplies to fire sprinkler systems.**
- In regions of New Zealand subject to below zero temperatures, ensure that any water tanks and internal pipe work have been drained, and isolated. (This may also need to include sprinkler pipe work unless a special sprinkler design has been utilised to prevent freezing. Refer to your broker, or QBE, if you are uncertain.)
- Arrange for weekly visits to premises to check property is secure and weather-tight. Remove any mail and ensure a mail re-direction is in place to an alternate address.

Access Control

- Ensure that a register is maintained of all persons given access to property and that all keys issued to authorised persons (contractors and prospective tenants etc.) are returned.
- Ensure any visitor or contractor entering the premise is advised of any known hazards (e.g. holes in floors, restricted egress, loose fittings, state of power, etc.)



Figure 1 - Untidy yard with combustibles against the building.



Figure 2 - Grass in guttering shows lack of maintenance

Disclaimer

The purpose of this Risk Management Advice Note is to assist you in minimising potential loss from exposures which need prompt consideration.

The Advice Note does not imply that all other exposures were under control at the time of inspection.

The options contained in this Advice Note are not intended to be a substitute for appropriate professional advice in relation to any matter. In achieving compliance with these items, fire protection equipment and systems should be installed to comply with the requirements of the relevant local, and/or Government authority. Any equipment installed should also comply with the requirements of the relevant New Zealand Standards and Codes.

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Should you require clarification, information or further advice in relation to this Advice Note, the options, or advice in general related to risk management issues, QBE Insurance (International) Limited is available to assist upon request.

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