

Unoccupied premises.

It is not unusual for industrial or commercial premises, offices or retail stores and schools or colleges to become unoccupied for extended periods, especially in times of economic or social uncertainty.

Unfortunately, any building left unoccupied for a period of time is more at risk of being broken into by intruders intent on temporary illegal occupation, malicious damage, graffiti or theft, in particular metal theft. Unoccupied buildings are also at greater risk of electrical faults, water leaks, weather damage and other defects that develop unnoticed. It is a fact of life that the absence of people occupying buildings on a daily or continuous basis tends to attract unwanted attention. It also makes it much more difficult to monitor conditions at the site if something goes wrong.

This means intruders can gain entry unnoticed causing extensive damage before being discovered. Also, broken services, storm damage or rainwater ingress can remain unnoticed for days causing much greater damage than would be typical in occupied buildings. You can be certain that once the weather has broken through the outer envelope of a building or a water pipe has begun to leak, they can wreak a great deal more damage than a typical intruder if left unchecked.

Insurance for unoccupied premises

It is important to be aware that your Insurance Broker and Insurer needs to be informed when a building is going to become (or has already become) unoccupied. On an insurance policy, the term 'unoccupied' is normally taken to mean untenanted, not operational or even derelict.

Insurers typically impose specific 'unoccupied premises' or 'vacant premises' Policy Conditions that you need to comply with. This will usually include the need to inform Insurers within 30 days of the period of unoccupancy beginning, if not beforehand. This will change the terms and conditions of the insurance cover during the period when the building is unoccupied. It is most likely that unoccupied premises will be insured at higher insurance premium rates than when they were occupied sites, although the insurance would be for the building only, not for the contents or the business risks.

Unoccupied premises.

Risk controls - summary

The 10 key steps to good risk management for vacant premises are

- > Immediate action
- > Premises security
- > Services isolation
- > Inspect regularly
- > Keeping up appearances
- > Fire risk controls
- > Water damage controls
- > Building maintenance
- > Managing contractors during refurbishment
- > Prepare for re-occupation

Risk Controls	
Immediate action	<ul style="list-style-type: none">> When it is known in advance that a building is going to become unoccupied prepare for the day by organising the necessary contractors to clear the building and the external areas, isolate the services and secure the building.> Consider engaging certified security advisers and/or vacant premises management experts who can support the clean-up of the grounds and buildings as well as temporary man-guarding, services isolation, interim physical security measures and long-term premises management.> Notify your Insurance Broker of the date/time when the site will become unoccupied so that Insurers can be advised in advance.> If a building becomes unoccupied in unexpected circumstances, there is often a short chaotic period when current conditions and the building status is unclear. Do not delay in organising security for the site and the buildings even if it means temporarily engaging security guards to attend and tour the site whilst more permanent and cost-effective measures can be identified and contracted. And don't forget to notify your Insurance Broker as soon as you can.
Premises security	<ul style="list-style-type: none">> Lock the gates, doors and windows with the available locking mechanisms and set the intruder alarms and fire alarms if fitted. Make sure fences, gates, doors and windows are in good condition. Consider blocking car park or site entrances with substantial barriers.> Maintain security detection and alarm systems including CCTV and remote monitoring services if power remains on. If power has to be isolated, invest in battery operated security motion detection and remote alarming devices with built in snapshot video recording. Make sure the devices are located well above ground and secured so they can't easily be damaged or stolen.> Inform the Police and Fire & Rescue Services that your premises are now unoccupied – you can expect them to respond differently because of the unoccupancy.> Inform your friendly neighbours – some might agree to tour the site on an irregular basis. Many incidents are curtailed through the watchfulness of neighbours.> Apply the '5D's of Security' to make the site and the building(s) secure. These measures apply to any property but are even more important for vacant premises due to the increased risk of them being targeted. In summary these are<ul style="list-style-type: none">> Deter unwanted intrusions (keeping up appearances)> Defend the premises (barriers to access)> Detect intrusions (spot them early)> Deny access to fuels and tools (bolt it down or lock it up)> Demonstrate response (lights, camera, action).

Unoccupied premises.

Services isolation	<ul style="list-style-type: none">> Isolate services. If practical, isolate water supplies, electricity and gas. This may be an insurance policy requirement for long term vacant premises.> For short term vacancies insurers may ask for fire alarms and security systems and even sprinkler systems to be kept in service if not exposed to freezing conditions.> In any event, isolation of such services removes the primary sources of damage from fire and water leaks whilst detecting incipient fires or attempted break-ins.> Notify your utility suppliers that the building is to become unoccupied so they can take closing meter readings. If you expect a long-term period of unoccupancy, get the utilities properly disconnected so they can't be used by intruders.
Inspect regularly	<ul style="list-style-type: none">> Organise regular site inspections during the period of unoccupancy. The requirement for a weekly inspection is often a policy condition. Insurers will want to know that the site is being monitored regularly. Regular inspections can detect evidence of intruders or attempted intrusions as well as discover evidence of fire, water ingress or storm damage.> Inspections can be carried out by employees from other sites within the owner's company, or managing agents, contracted security guards or specialist vacant premises service providers. Ensure that the abilities of the inspector match those required to supervise the premises if specific tasks need technical knowledge or training.> If a site is difficult to secure and evidence of drug use is found, or intruders are still present during the inspection, call upon the services of professional vacant premises management service providers. Such specialists are trained to deal with these challenging situations and regularly co-ordinate clearance activities with the Police.
Keeping up appearances	<ul style="list-style-type: none">> Make the premises look like they are occupied or at least being visited intermittently. The more a site looks like it is being given attention, the more it will deter unwanted visitors.> Maintain external lighting in hours of darkness if the power remains on. Consider battery powered motion activated lights linked to remote alarming devices if power has to be isolated.> Avoid overtly advertising that the site is unoccupied – this attracts the attention of passers-by and word soon gets passed around to those who will be interested.> Block letterboxes to prevent a build-up of mail inside the entranceway. Arrange mail re-direction orders for letters and parcels with the local or national postal company.> If deliveries do continue to arrive at the site make sure someone takes the contact information of the sender(s) and asks them to halt further deliveries or re-direct deliveries.> Arrange for continuing basic maintenance of the grounds such as the cutting and trimming of lawns, verges and bushes. Preferably remove any plant plots that need constant attention.

Unoccupied premises.

Fire risk controls	<ul style="list-style-type: none">> Maintain fire detection and fire alarm systems including remote alarm monitoring services if the power is to remain on.> Isolate gas and unused power supplies.> Remove combustibles from inside and outside the building. The presence of combustible materials such as left-behind pallets, unused packaging, old tyres and fuels makes it much easier for intruders to set a fire to keep warm or set a fire maliciously.> Remove LPG cylinders, oil drums, flammable and hazardous chemicals and empty bulk LPG vessels, fuel tanks and oil tanks.> Keep the external yard areas clear of anything that could be used to start or support a fire. Wooden and plastic pallets, waste skips containing rubbish, tyres and pressurised cylinders are commonly left outside vacant buildings and will have to be removed by the contracted security companies when securing the site.
Water damage controls	<ul style="list-style-type: none">> Winterisation – prepare for cold snaps, check insulation of pipework and tanks on live water systems or drain them down temporarily.> Wherever water systems have to be kept in service such as automatic sprinklers, maintain heating for buildings likely to drop below 4°C indoors.> When water systems are left on WITHOUT operational heating, monitor weather conditions daily so you can arrange to have the water isolated and pipework drained in advance of predicted cold snaps. Consider installing temperature monitoring devices with remote alarm capability (GSM-enabled devices) to alert you to falling temperatures inside buildings.> If only limited areas of a site would be exposed to freezing, consider installing localised heating or isolation valves specifically for use in preparation for cold snaps.> DON'T introduce open flame heaters. These are a significant fire hazard in their own right and Insurers won't normally accept their use.
Building maintenance	<ul style="list-style-type: none">> Maintain roofs and roof lights in good condition. Water ingress and windstorm damage can happen to any building. It goes unnoticed for longer periods in an unoccupied building and is more likely to happen if roofs are in poor condition.> Ensure doors and windows are in good condition to prevent them being easily levered open from the outside even if security locks are fitted. For example, single glazed windows with the putty broken out can be easily dislodged and removed. Fire escape doors that are damaged along the base (a common problem) can be more easily pulled apart and levered open.> If walls are damaged or partially collapsed with significant openings that intruders can easily climb through, cover the gaps with secured panelling. This will reduce the risk of intruders gaining entry and becoming long term squatters.

Unoccupied premises.

Managing contractors during refurbishment	<ul style="list-style-type: none">> If refurbishment is planned for the building during a period of unoccupancy ensure that the contractors you engage are certified and trustworthy.> Maintain a presence on site by a member of your staff if feasible or a separately engaged security guard during the times when the contractors are on-site.> Inform your neighbours of the work you are intending to carry out and the times it will be done. Many times a neighbour has seen a contractor remove roofing material or equipment from a site assuming they are bona fide contractors when in fact they were thieves stealing copper or lead from the roof, taking all the metal items they can find in the building to sell for scrap or helping themselves to the newly delivered building materials.> For safety reasons and to minimise your legal liability risks you should ask the contractors to use proper Permit-to-Work controls for high hazard activities that they might conduct. This includes<ul style="list-style-type: none">> working at height such as on roofs> working in confined spaces such as in silos, vessels, boilers or pits> conducting Hot Work such as grinding, cutting, welding or any activity with open flames or generating hot or cold sparks> isolating electrics or working on live electrics.
Preparing for re-occupation	<p>Many buildings are reoccupied after a period of time and it is important to prepare for this to happen before the new occupant arrives. Key steps to take when preparing for re-occupation include</p> <ul style="list-style-type: none">> Thoroughly clean inside and outside, including a deep clean of any areas that have been contaminated during the previous occupancy period or when vacant. Remember to clean up after any builders or decorators following refurbishment work.> Change the external locks to the gates and buildings to ensure previous occupants who have kept keys can't get in uninvited.> Arrange for graffiti to be removed from walls and buildings around the site.> Engage pest control specialists to assess whether there is any indication of infestations of rodents or insects that need to be dealt with.> If there are any signs of mould, engage specialists to assess what types of mould are present and to implement an eradication programme.> Ensure all water tanks, vessels, pipes, hoses, taps etc. are cleaned and the water given Legionella treatment before the building is returned to use.> Inform the utility companies of the intentions to have the building re-occupied so the various services can be properly and safely reinstated.> Arrange to have end/start meter readings taken to mark the moment of changeover of responsibilities for the utility charges.> Remember to inform your Insurance Brokers of the intention to have the site re-occupied so that Insurers can take it into account.> Inform the Police and Fire & Rescue Services so they can update their records.> Adjust your security arrangements for the building or get them ready to handover to the new occupier if they are taking over responsibility for security.

Unoccupied premises.

Demolition

If you plan to demolish one or more buildings you should engage certified contractors and instigate appropriate levels of security for the site for the duration of the work. Check the building for hazardous regulated materials in advance so that the demolition work doesn't unexpectedly grind to a halt.

Consider upgrading site security in advance of and during the demolition period. Buildings marked for demolition are often in a poor state of repair and can attract unwanted visitors looking to take away anything they can before it gets removed altogether. In the worst case this could be local children looking for adventure. It is essential that security for such unsafe sites is implemented to a high standard.

Illegal occupation

If you have a building that suffers illegal occupation by intruders who become squatters it is essential that you act quickly to arrange a court order to have them removed from the premises. This can be a tortuous process but regular squatters know the law and its limitations for industrial and commercial premises better than most people. Once a properly executed legal court order is issued and delivered to the illegal occupiers they will usually vacate your premises within the specified time limits (give or take a few hours) as they know the Police gain the power to have them arrested or removed forcibly.

Unfortunately, experience shows that squatters can cause extensive damage to a property whilst they are in occupation or conduct a spate of thefts and burglaries or cause damage to nearby properties.

If you find yourselves in this position, QBE recommends you engage the services of professional vacant property management specialists who can help you obtain a court order (or your company solicitor may be able to do this for you), support the Police with removal of squatters from your premises, make the site safe after it has been vacated and repair any damage that has been caused.

The two largest vacant property specialists in UK are:

> VPS Group vpsgroup.com

> Orbit Protect orbisprotect.com

Review their websites to see the range of services they offer to support you deal with illegal occupation and for on-going vacant property management services. They also provide tracking services that provide up-to-date reports on known incursions or traveller movements around UK that could threaten the premises you own or lease.

QBE European Operations

30 Fenchurch Street
London EC3M 3BD
tel +44 (0)20 7105 4000
QBEurope.com

