

Covid-19: Unoccupied Premises

In line with the Government's guidance to avoid non-essential travel during the lockdown period, many companies are now working from home where they can rather than their usual place of work. Additionally some businesses have been forced to close temporarily. This has therefore left a large number of premises unoccupied or occupied infrequently.

Unoccupied premises present an increased risk to insurers from a number of aspects, and as a result many insurance policies contain an unoccupied buildings condition. Generally, this condition requires the policyholder to notify insurers when the buildings are not occupied. Given the current situation, and in order to provide some degree of flexibility most insurers are taking a pragmatic approach to how they deal with unoccupied premises, however this can vary by policy so please do check with us to ensure that cover is not affected.

When premises are unoccupied, loss prevention and risk management should be key considerations. We recommend that robust measures are implemented as soon as possible rather than leaving things to chance

Below is a brief overview of some risk management considerations to think about when assessing your vacant premises risk:

Security:

There are further security risks that come with a property being unoccupied. Therefore, it is important to consider all the vital provisions for keeping your unoccupied buildings secure whilst Covid-19 is going on. This should include locking gates at all properties, ensuring any fencing around the premises are in good condition, alarms and security cameras are activated and operational.

If possible and safe to do so, carry out regular site checks at the property which are unoccupied, and where able pause any regular deliveries to the site to prevent too many visitors or a build-up of deliveries/packages at the property.

You should also consider who else has access to the property during these times, such as landlords, other tenants and other certified persons. Whilst the building is unoccupied it might be of value to keep keys and access to essential personnel only. If there is money left in the building, then please refer to your unoccupied condition to ensure this is adequate and it is being held correctly and safely.

General Upkeep:

When a property is unoccupied it is important to keep on top of the general upkeep of the building's to prevent any damage whilst you are away, and to ensure that when you return to work the building is suitable for use again.

Food and perishables should be removed from the property to prevent rodents entering, and you should consider continuing any regular cleaning within the building if safe to do so. Bins should be emptied, non-essential electricals turned off and fridges/cupboards emptied. Waste should be cleared from the workshop areas, and any stock suitably stored as per the terms of your policy.

During this time it may be required by your insurer to make sure that water and gas is isolated to the buildings and switched off to prevent any water or gas leaks that could be left undetected for a considerable amount of time.

The buildings' Fire Risk Assessment should be reviewed and updated to reflect any changes to the site, taking into consideration how stock is stored, and the fact that you may have to turn sprinklers off. Hazardous goods/equipment should be stored according to the terms of your policy, and fire alarms should be activated and operational during this time.

Other considerations:

Please refer to your policy for the conditions that are already set out should your building become unoccupied and ensure that you are adhering to them. This should include any flood requirements and security conditions your policy may have. If it is not possible to meet the conditions or they deem unsuitable for this particular scenario then please contact a member of the team so that we may inform your insurer.

If you have a construction site that is being left unattended during this time, then please contact us for the current update from your insurer.

If you are uncertain as to the scope of cover you have concerning the storage of goods, please do not hesitate to contact a member of the team to ensure there is the appropriate level cover is in place.

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