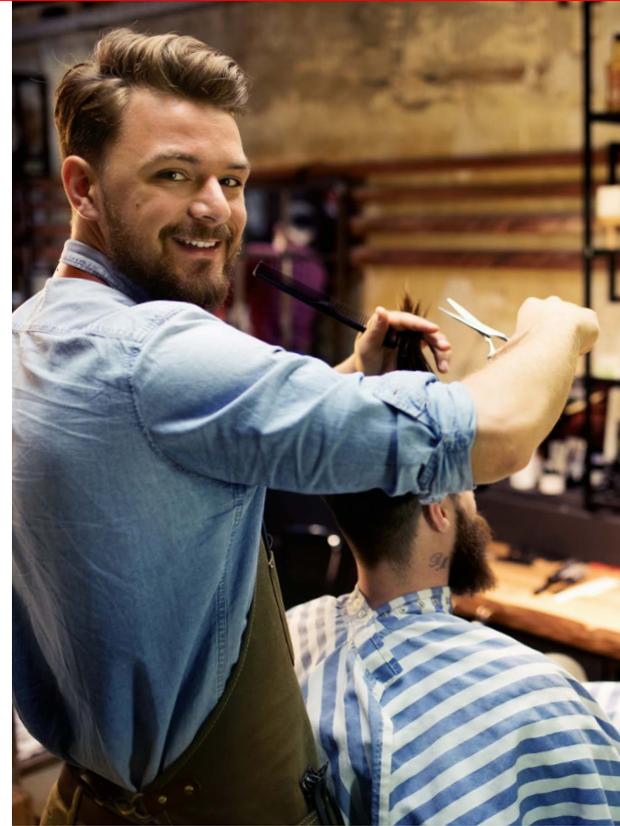


Minimising the risks so you can keep running your business

While we're here to pay to claims if the worst happens, we're all about trying to keep you and your property safe and secure in the first place.

Service industries cover a wide range of businesses, from information, media and telecommunications, rental, hiring and real estate services, to professional, scientific and technical services, education and training. They can be found anywhere in busy city and town centres, suburbia and in rural locations, and can operate anywhere from individual shops or shared units, to large dedicated buildings.

While some can be simple businesses with very little in the way of specialised equipment, others have very specific machinery and plant. All such businesses share similar risks, however, and this sheet explains how to minimise them.



Keeping your site safe



The premises should be kept secure and in good condition.

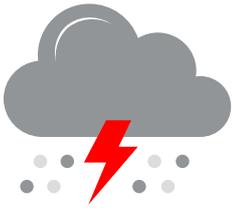
Best practice

- Make sure you have a regular maintenance schedule in place.
- Check there are no holes in fire walls and that any fire doors can close freely. Keep areas around fire doors clear of obstructions.
- Protect fragile or exposed cladding with bollards, barriers or steel bars to prevent impact damage occurring.

Must haves

- ✓ Keep all exterior cladding in good condition, and check access doors, windows and make sure their locks, latches and hinges are in sound condition, and firmly secured to the building structures.
- ✓ Secure any access roller doors after-hours with pins and padlocks. For any motorised doors the electric open/close switch should be locked. For manual doors lock the chain to the building or door frame.

Weather watch outs



While you can't control wild weather, you can reduce the risks that come with it.

Best practice

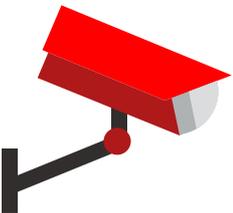
- Be aware of what weather or flood events are likely to affect your building or business. This can help you plan what needs to be done.
- Keep trees and shrubbery well-trimmed, and remove diseased or damaged limbs. Ask a professional arborist to assess and strategically remove branches to allow wind to blow through the trees.
- Protect water and other pipes from freezing using insulation, or install heat tape.

- Remove snow and hail from gutters as soon as it's safe to do so. This will reduce the possibility of subsequent rain overflowing gutters.

Must haves

- ✓ Ensure the building is well maintained, that walls and roof are watertight. Make sure doors and windows are close fitting.
- ✓ Make sure gutters and down pipes are not blocked by leaves or rubbish. Check before the winter season, or more frequently if needed.
- ✓ Inspect channel drains, yard storm water outlets and sumps and make sure they are all free-flowing and that curb side gutters are not blocked by leaves and rubbish.

Maintaining a secure building



Good physical and electronic security is key to limiting opportunities for criminals.

Best practice

- Employ random after-hours security patrols if possible.
- Install high definition CCTV for internal and access point coverage. Ideally, monitored infrared and motion activated hardware should be considered so clear images can be recorded in low light.
- Keep external areas well-lit after dark. This reduces the risk of burglary, malicious damage and arson.
- Fence any yard areas with a high fence and strong gate. Padlocks should be closed shackle or protected by a sheath over the padlock to prevent it from being cut. Don't leave padlocks unlocked on the gate during the day, as someone may swap this for their own lock for which they have a key.

- Install steel bars or security mesh on accessible windows and skylights – you might want to consider security film lamination on windows to prevent smashed glass.
- Install quality dead locks on all shop access doors, and anti-jemmy strips to all external doors.

Must haves

- ✓ Protect your space with a monitored intruder alarm with a security patrol response. Alarms should be professionally maintained and checked annually. Make sure any alarm sensors are not obstructed.
- ✓ Ensure cash is banked at least weekly and that large cash amounts are deposited to a cash rated safe whilst on site. Ensure safe locking mechanisms, digital pin codes and batteries are checked at least annually.

Watching out for water damage



With routine checks and a proper plan, the risks can be seriously reduced.

Best practice

- Plumb washing machine and dishwasher outlets into the wastewater pipe, not simply with the waste pipe hooked over a sink.

Must haves

- ✓ Know where the water shut off valve(s) are for the water supply. Where possible, shut off the water supply during extended shutdowns or when not needed e.g. over the summer holidays or in an unoccupied building.
- ✓ Ensure flexi-hoses are checked regularly and replaced if showing signs of damage – or every 10 years otherwise.
- ✓ Check shower enclosures for signs of deterioration, especially to the wall boards/tiling.
- ✓ Inspect plumbing, water pipes and waste lines for leaks, damage or corrosion. Check that all basins, tanks, etc have overflow facilities. Process tanks should be banded.
- ✓ Check and clean the roof regularly. This is important before the winter season and after storms. Pay attention to membrane-style roof coverings as these have a limited life and can be affected by environmental exposures.
- ✓ Check flashings where the walls and roof meet, and also pipes and skylights where they penetrate the roof covering.

Housekeeping



Good housekeeping will reduce the risk of fire and other losses.

Best practice

- Don't over stack goods especially in a sprinkler protected building. Over-stacking can result in the sprinkler system failing to control a fire.

Must haves

- ✓ Ensure all areas neat and tidy, this is especially important for storage areas. Keep combustibles away from electrical switchboards and other ignition sources. Raise stock off the ground, this reduces the risk of a water leak damaging the stock.
- ✓ Keep areas around plant, equipment, battery chargers and other electrical components clear of combustibles, and check this is done regularly.
- ✓ Make sure waste and recycle bins/skips are at least 10m away from the building as these can be targets for arson.
- ✓ Keep electrical services rooms and server rooms free of clutter or anything else that doesn't belong there.

Reducing the fire risk



Having the correct equipment and protection in place can reduce the potential for loss.

Best practice

- Ensure that staff are trained in the use of the fire extinguishers.
- Consider installing a monitored fire detection system with smoke and heat detectors – but make sure the detector unit you choose is suitable for your site to avoid false alarms. Ideally meeting the standards of NZS 4512 but a more economical alternative is to link fire detection to the intruder alarm system.
- Ensure your team is aware of how high they should stack goods in sprinkler protected buildings – as well as the types of things that can be stored. This will all affect how effectively a sprinkler system controls/ extinguishers a fire.
- Have proper impairment procedures in place if fire systems (for example, a sprinkler system) are out of commission for more than a few hours.

- Investigate whether specialist fire protection systems such as fixed gas flooding or foam drenching systems are required to best protect specific areas, plant or equipment.

Must haves

- ✓ **Make sure you have an appropriate number of fire extinguishers located throughout the site which can be easily accessed by staff. The size and type of fire extinguishers will depend on the size of the area being occupied and what activities take place. CO2 fire extinguishers work best on electrical equipment, while dry powder extinguishers are a good multi-purpose option. For flammable liquid fires a foam extinguisher is best. Get specialist advice from your fire equipment supplier.**
- ✓ **Have all your fire extinguishers and hoses checked and maintained by an FPANZ certified contractor at least once a year.**

Maintenance



Good maintenance goes a long way to reduce fire and other risks.

Best practice

- Consider preventative or programmed maintenance routines for critical plant and equipment.

Must haves

- ✓ **Have a regular maintenance programme in place for the building, building systems, plant and equipment, fire protection and security equipment.**
- ✓ **Maintain plant and equipment to the manufacturer's guidelines.**

Electrical and lighting



Faulty or damaged electrical systems can lead to fires.

Best practice

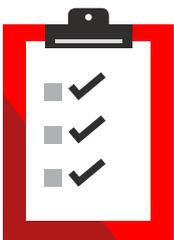
- Test and tag all portable electrical equipment. Keep use of extension leads and power boards to a minimum. Damaged leads and boards should not be used.
- Get an electrician to do thermographic imaging of switchboards to identify elevated temperatures (which can indicate potential failure) and overloading.
- Ensure periodic verification (visual inspection and limited testing) is undertaken for older switchboards, where there are ongoing electrical problems or where the electrical system shows signs of wear and tear. An electrician will be able to advise. This provides a comprehensive check of the entire electrical system.

- Consider the benefits of replacing existing lighting with LED alternatives.

Best practice

- ✓ Engage an electrician to undertake regular checks of the electrical system to identify faults, elevated temperatures or overloading.
- ✓ Maintain all electrical equipment according to the manufacturer's guidelines.
- ✓ Ensure lighting systems are in good working order. Replace faulty fluorescent lamps when they are not lighting properly and following the manufacturer's guidelines as to the replacement schedule of HID lamps
- ✓ Switch off any high intensity discharge lights for at least 15 minutes each week. This will reduce the possibility of them failing whilst hot and this resulting in a fire.

Management controls



Have controls in place to manage activities that could result in a fire or other loss.

Must haves

- ✓ Have a robust self-inspection routine which ensures that everything is as it should be, that safety and risk management policies are being followed, that production and housekeeping standards are being maintained, maintenance activities are up to date and to identify problem areas.
- ✓ Implement a permit-to-work system to control hazardous activities such as welding, grinding and other dangerous activities e.g. hot work controls, electrical isolation procedures etc.

- ✓ Ensure that proper procedures are in place if fire systems like the sprinkler system is out of commission for more than a few hours.
- ✓ Control smoking on site and limited this to a designated smoking area with suitable containers for the safe disposal of smoking materials.
- ✓ Learn about the proper way to store, handle and manage hazardous substances if these are kept on site.
- ✓ Have a plan to control vehicle movements to reduce the chance of impact – this should apply to anyone who brings or uses a vehicle on site.

Business interruption



Have a simple back up plan for business interruption.

Best practice

- Consult with a professional to check if your cyber security measures are good enough, especially if you maintain confidential records such as a customer database or bank account details.

Must haves

- ✓ Back up critical data frequently and consider using secure Cloud services.
- ✓ Ensure you've got antivirus protection on your computer and regularly update it.

Visit vero.co.nz/risk-profiler to check out our other advice sheets for more tips and in-depth information about managing risk.

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Disclaimer – The information presented is of a general nature only and is provided only to help you understand some of the physical risks a business may have and what an insurer might expect you do to manage those risks. It is not intended for any other purpose. You should always seek appropriate professional advice about how you manage the particular risks in your business. No representation or warranty, expressed or implied, is made as to the accuracy or completeness of the information and no responsibility is accepted for any loss, penalty or damages (including special or consequential damages) arising out of the use of all or part of the information. The information presented does not replace the need for appropriate professional advice. Reliance on this communication will not affect or influence policy response.