



Unoccupied Premises

Understanding the Risk

Protecting unoccupied premises and preventing fires in them are major concerns for organizations in the commercial property market. Building vacancies can occur anywhere for long or short periods and often prior to sale or renovation.

Although fires started in unoccupied premises are mainly arson related, they can also result from electrical faults in fixed wiring. If the building exterior or surrounding property is not maintained and becomes rundown, the chances of arson increase significantly. Inadequate maintenance and a lack of routine site inspections may also lead to water damage.

In addition to fire and water damage hazards, unoccupied premises are often the subjects of vandalism and theft of contents, fixtures, and fittings. Additional risks are created when squatters or travelers occupy vacant buildings and when children use unoccupied sites as playgrounds.

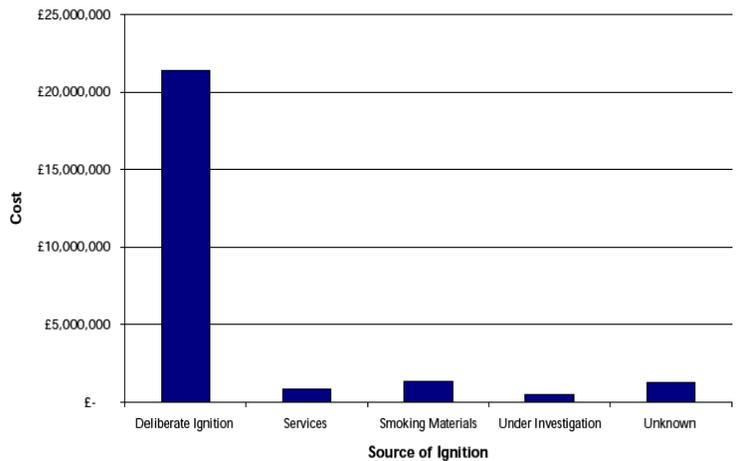
The hazards presented by unoccupied buildings must be adequately assessed and controlled to ultimately eliminate or reduce the risks and protect a business' financial viability.

Loss Statistics

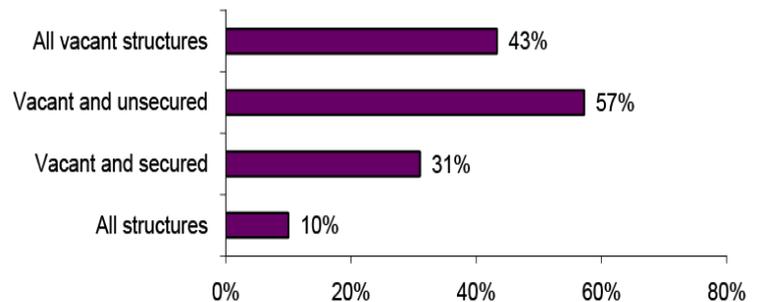
The Fire Protection Association (FPA) in the United Kingdom found that from 1998 until 2007, there were approximately 100 serious fires annually in empty commercial buildings, resulting in an average cost of over \$652,000 USD (£400,000). Ninety-one percent of these fires involved fires started deliberately, under investigation and those having unknown causes.

In the United States, according to the National Fire Protection Association (NFPA), from 2003-2006, fire departments responded to an estimated average of 31,000 structure fires in vacant buildings. These fires resulted in an average of 50 civilian deaths, 141 civilian injuries, and \$642 million USD in direct property damage each year.

Cost of Fires in Unoccupied Premises - 1998 to 2007 (Source: FPA)



Intentional Structure Fires by Structure Status: 2003-2006



Controlling the Hazard

To protect unoccupied premises, an assessment is required of the location, management issues, and both the fire and security protections of the premises. After the assessment, a comprehensive and integrated risk control program must be created that generally addresses two main factors: human element and physical element.

Human Element

Risk controls related to human element refer to the management procedures utilized to reduce the likelihood of an event occurring at the unoccupied premises as well as to determine how to react in the event of an emergency. Critical activities include:

- Conduct risk assessments to identify hazards and develop self-inspection checklists.

- Shut down all but essential services to the unoccupied premises. The gas supply should be shut off at the street, water drained down, and electricity disconnected unless essential for maintaining heating, fire and/or security protections.
- Remove all rubbish and other combustible materials, both internally and externally. All fuel tanks should be purged, and temporary buildings should be removed from the site.
- Ensure that contractors are adequately controlled and supervised, particularly when hot work operations are undertaken.
- Restrict smoking on the premises and clearly communicate the restriction to all visitors, contractors, and security personnel.
- Maintain the exterior of the premises in a good state of repair to ensure it is wind and water tight. Exterior grounds should be trimmed and maintained to prevent a vacant appearance that will attract unnecessary and dangerous vandalism and arson.
- Carry out routine, documented inspections, at least weekly, and have a procedure in place to immediately remedy any issues.

Physical Element

Risk controls related to physical element concern protection or design principles to reduce or mitigate the impact of an event occurring as well as how to react if an emergency event should occur. Critical activities include:

- Apply security principles to reduce the level of attraction, and to deter and deny entry. If entry does occur, it must be detected and adequately responded to. Security guidelines include:
 - Perimeter fencing must be maintained in good condition and adequate to restrict access.
 - Security lighting should be provided overnight as well as motion-activated external lighting.
 - External doors should be solid with good quality locks or padlocks to minimize unauthorized entry. Doors which are not required for access by the public authorities or for inspection purposes should be boarded up, as detailed below under window protection.
 - Boarding up windows is the preferred method of protection. This is accomplished by using exterior grade plywood of adequate strength, at least 18mm (0.75 inch) thick, secured to the door and window frames and where appropriate to timber framing by 50mm (2 inch) exterior non-return or ribbed nails. Another option is to utilize removable steel mesh screens, fitted by competent contractors. All ground floor and accessible upper floor windows should be treated. Windows are particularly vulnerable to vandalism and as entry points to criminals.

Broken windows encourage further intrusion and can enable water to enter the building causing further damage.

- 24-hour, on-premise watchman service may be necessary depending on the location and attractiveness of the unoccupied premises.
 - Intruder alarm protection is critical and, where existing alarms are in place, maintained during any periods of vacancy. It is important that off-site notification arrangements are in place. Temporary alarm systems designed for unoccupied buildings are available and should be installed where there is no existing intruder alarm protection.
 - Closed Circuit Television (CCTV) surveillance should be maintained for unoccupied premises. If not already in place, off-site monitoring should be implemented.
- Maintain all fire protection systems for the unoccupied premises in service, including:
 - Automatic Sprinkler Protection – where practicable, sprinklers should be maintained in service and protected from freezing. Off-site monitoring should be operational, and the systems tested on a weekly basis. If it is impracticable to retain sprinkler protection, the system should be drained and the water supplies isolated.
 - Automatic Fire Alarm – existing alarm protection and maintenance should be preserved in working order. It is important that off-site notification arrangements are in place, and that the system is tested weekly.

Through proper risk awareness and appropriate maintenance and supervision, the hazards associated with unoccupied premises can be properly managed to help assure a well protected facility.

For more information please contact your local AIG Global Property Engineer.

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