



## Riot Insurance & the Riot Damages Act

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With the well-publicised Riots in London and Birmingham in the last few days resulting in millions of pounds of damage to commercial and residential properties, businesses need to be aware of their insurance policy restrictions governed by the Riot (Damages) Act.

Under the Act, individuals and business owners caught up in a disturbance make a claim for the damage under their insurance policy. In turn, their insurers then have the right to recover the costs from the police authority — which, they can claim, has failed to keep the peace.



In order to comply with the Act, most UK Property Insurance policies have strict reporting procedures on Riot Damage claims, **with the majority requiring notification of the claim within seven days** of the incident to allow insurers to reclaim the cost of damage from the relevant Police authority.

The British Insurance Brokers' Association (BIBA) is advising those people unfortunate enough to be affected by the recent riots around the UK to speak to their insurance broker as soon as possible so they can assist with their loss.

Most **home insurance** should cover people for fire, looting or damage and many policies will also cover people for alternative accommodation costs if they cannot stay in their home.

**Commercial insurance** policies will normally cover businesses for damage to their premises, including the financial loss due to interruption to their business as a result. Some policies will also cover those businesses which are not damaged, but whose trade is affected by the aftermath.

The events of the last few days have highlighted how quickly such an event can take hold of an area and there are steps a business can take to reduce the impact of Riot damage should a local event occur. It is important however to check your insurance policy terms and conditions before taking such actions, for example:

- Close all shutters and grilles where fitted
- Check with your insurance providers if your insurance policy covers stock temporarily removed from the premises before removing goods from the site
- Clear combustible waste from around the property
- Consider the location of your vehicle storage

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