



# property & liability



Newsagency  
Risk Management  
Guide

Don't Risk It!

**Lumley**   
**Insurance**  
ensure the future



## About Lumley Insurance

Lumley Insurance has extensive experience in commercial insurance and risk management.

This experience has shown us that many serious losses occurring in retail newsagencies can be avoided by implementing simple risk control measures.

We have used our industry knowledge in producing this easy to read guide, to assist you in controlling the risks to your business. Our team of surveyors and risk managers are also available to answer any questions you may have in regard to implementing effective risk control measures.

# Newsagency

## Risk management guide overview

### How to use this guide

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- 1 Read through the enclosed risk fact sheets
  - 2 Complete the self assessment checklist
  - 3 Contact your insurance broker or Lumley Insurance for expert advice on controlling your specific risks
  - 4 Implement your risk control plans
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### Contents of this guide

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- 1 **Risk fact sheets**
    - Fire safety
    - Public and customer safety
    - Cash handling procedures
    - Physical and electronic security
    - Business continuity
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- 2 **Self assessment checklists**
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#### **Australian standards referenced in this guide**

##### **AS 1851**

Maintenance of fire protection systems and equipment

##### **AS/NZS 3000**

Electrical installations

##### **AS/NZS 3760**

In service safety inspection and testing of electrical equipment

# Fire safety

Fire can have a devastating impact on your business. The indirect costs and disruption can create enormous difficulties. Many companies who suffer a major fire struggle to re-establish their business, despite having adequate insurance cover.

## Electrical services and equipment

### Electrical switchboards

Main distribution and sub-switchboards should be fully enclosed in non-combustible materials. This will reduce the exposure to physical damage, accumulation of dust, and in the event of a switchboard ignition, delay the spread of fire.

### Combustible storage

The area within one metre of each switchboard should be kept free of storage to reduce the risk of fire and to ensure easy access in the event of an emergency. The area inside the switchboard cabinet must be kept free of all types of storage.

### Temporary wiring, extension cords and portable power boards

Wherever possible, extended use of this type of equipment should be eliminated by installing additional general purpose outlets (GPO's) or hard wiring lighting and equipment according to requirements of Australian Standard AS/NZS 3000.

### Maintenance inspections

Conduct regular general inspections of all electrical equipment. Damaged or loose light fittings, power outlets, switches etc. should be immediately repaired by a licensed electrician.

### Tagging of portable electrical equipment

All portable electrical equipment should be regularly inspected and tagged by a certified competent person as specified in Australian Standard AS/NZS 3760.

## Fire extinguishing equipment

### Fire extinguishers

A minimum of one general purpose fire extinguisher, suitable for electrical fires such as a 4.5 kilogram ABE dry chemical, should be wall mounted in a position close to your electrical switchboard, readily accessible to staff at all times.

### Maintenance of fire protection equipment

All fire protection equipment must be serviced by a technician at least every six months. Automatic sprinkler systems and fire detection systems require more frequent inspection. Refer to Australian Standard AS 1851 or your Service Contractor if in doubt.

## General housekeeping

### Aisle Storage

Access aisles between storage racks should be kept free of all storage.

### Internal waste bins

Internal waste bins should be emptied at the close of trade each day.

### External waste bins

External waste bins should be located in a secure location, well away from the building, and lids should be closed and locked after trading hours.

### Waste Cardboard and Paper

Cardboard boxes and packaging should be folded flat, stored in a secure location in a tidy manner and removed from the site regularly.



# Public and customer safety

**Business owners have a duty of care to control risks for the safety and well-being of the public, associated with the operation of their businesses.**

## Customer access and exits

### Entrances

Ensure entrances to your premises have adequate lighting, and tiled surfaces and stair treads are in good condition. Appropriate anti-trip wet weather mats may also be required.

### Stairs and ramps

Handrails should be provided for any ramps or stairs with three or more risers.

### Floor maintenance

All floor surfaces must be kept clean at all times. Broken tiles or worn or damaged carpet must be replaced or repaired immediately. 'Wet Floor' signs should be available if required.

## Retail displays

### Block stacks

Care should be taken to ensure any block stacked stock is stable and does not protrude into walkways. Regular inspections should be conducted to ensure customers have not made stacks unstable.

### Aisle storage

Aisles between storage racks and shelves should be kept free of storage at all times.

### Free standing rack displays

Care should be given to selecting star racks and slat panel brackets designed to reduce the risk of injury to customers. Designs with sharp protruding prongs should be avoided or rubber stoppers installed on the ends. Racks should be kept fully stocked or hanging items moved to the front to avoid exposed ends.

## Stock replenishment

### Planning activities

Ideally, stock replenishment should be conducted outside normal trading hours. If this is not possible, the number of boxes being unpacked at any one time should be kept to a minimum.

### Supervision

A staff member should remain with the boxes at all times and not leave the site until unpacking is finished and all empty boxes have been removed.

## Statutory obligations

### Sale of restricted products

Ensure that staff are aware of their obligations in relation to sale of tobacco, lottery and restricted publications.



# Cash handling procedure

Written procedures should be developed to detail the processes and responsibilities for the handling of cash.

## Elements to be considered in procedures

### Separation of cash handling duties

Allocate duties so that collection, depositing and reconciling of cash are not performed by the same person.

### Limit cash at point of sale

Set a maximum level of cash to be held at the point of sale (POS). Excess cash should be regularly deposited in an on-site safe, via a drop-chute.

### Safeguard the handling of cash

Cash takings should not be handled in direct view of the public. A protected 'back of house' area should be used for counting takings.

After counting, cash should be securely locked in a safe and the cash room or office kept locked.

If the office can not be locked during business hours an electronic alarm, or buzzer, should be installed to alert you to unauthorised entries.

### Storage of cash during business hours

POS registers should be positioned in a 'defendable space' not easily accessible to the public. Registers or cash drawers should never be left open between transactions. Cash takings in excess of the predetermined POS maximum limit should be securely locked in the safe.

### Storage of cash after business hours

All cash, including takings and float, should be securely locked in the safe after hours. Empty register and cash drawers to be left open.

### Regular banking of cash takings

Banking should be conducted on a daily basis to reduce the risk exposure. If this is not practical, at least every two days (Monday, Wednesday, Friday).

### Limit amounts of cash held

Consider other ways to reduce the amount of cash held on-site e.g. pay

staff by EFT instead of cash, establish an account process for any major customers etc.

### Threat awareness

You should discuss the best response to adopt if confronted with a threatening situation in the workplace. This will assist staff to feel more in control of the situation, and reduce the risk of them acting inappropriately. Information on how to respond to potential threats can be obtained from publications available on the internet pages of most state Police Departments.

## Considerations for choosing a safe

### Cash ratings

Manufacturers provide a suggested 'cash rating' for their safes. This rating indicates the safes suitability for the maximum amount of cash, and type of valuables, likely to be held in each safe.

### Two key operations

Only allows access to the main cash safe when both individual keys are used. This allows you to issue a key to two responsible persons and ensures that the safe is only opened when both persons are present.

### Drop chute or draw deposit chute

Allows staff to deposit excess cash takings without them having access to the main cash safe.

### Change or float drawer

Allows staff to access the float at commencement of trading, and secure the cash float at the end of trading, without having access to the main cash safe.

### Installation

Safes need to be properly secured. This means being securely bolted to a solid concrete floor or wall (not a timber cupboard or bench). Manufacturers or suppliers of safes should also be able to arrange professional installation



# Physical and electronic security

**A combination of appropriate physical protection and reliable electronic security alarm and monitoring will reduce the likelihood and consequences of crime impacting your business.**

## **Security of valuables**

### **Tobacco products**

Tobacco products should be stored in securely locked cabinets after hours. This includes all display and reserve stock. These cabinets should be of metal construction. Display cases should be secured with lockable metal roller-shutters.

### **Lottery tickets and similar valuables**

Lottery tickets should be secured in a locked safe after hours. A record of unsold ticket numbers needs to be maintained daily. Any paper based records of this type also need to be securely stored, preferably not in the same safe as the actual tickets.

### **Do not secure low value items**

An opportunistic thief will break open any locked draws or cabinets, assuming they contain valuables. Therefore drawers, cupboards, offices and point of sale registers or cash drawers which only contain minimal value items, should be left unlocked and/or open.

### **Crime prevention through environmental design (CPTED)**

This is a concept used to limit criminal opportunity by the use of natural surveillance and barriers. For example; ensure your shopfront is not visually obstructed by plants or other barriers, install external security lighting front and back, and movement activated internal lighting.

### **Install adequate physical protection**

Security grills, roller shutters or bars should be considered for exposed doors and windows, impact bollards and appropriate locking hardware will also assist in making your business a less attractive target.

## **Electronic security system**

### **'Back to base' reporting**

Whilst the existence of an electronic security alarm may not prevent a break-in, if the alarm provides a reliable means of off-site reporting and response, this will limit the time available to cause damage or remove goods.

### **Alarm monitoring**

Alarm systems should be monitored by a licensed security company, who has authority to initiate a security patrol should you not be contactable.

### **Dual path connection**

Alarm systems should be equipped with dual means of reporting 'back to base'. Typically via a land based telephone line plus a wireless GSM or GPRS network connection, should the telephone line be interfered with.

### **Detection devices**

Multiple detection devices such as perimeter door reed switches and glass break detectors, as well as internal movement detectors, will provide early alarm activation and assist in identifying actual break-ins from isolated false alarms.

### **Internal and external alarm devices**

To cause maximum anxiety to intruders, and possibly attract the attention of neighbours or passers-by, an alarm system should include a loud internal audible alarm and a highly visible external strobe light.



# Business continuity

**Pre-planning can reduce the impact of a major loss event on your business, and ensure trading can be resumed as soon as possible.**

## **Insurance review**

### **Scope of cover**

Review your insurance cover and sums insured with your broker at least annually.

### **Valuation**

Engage a licensed valuer to provide a replacement valuation for your building and contents at least every three years.

## **Protect business records**

### **Backup electronic records**

Electronic business records should be backed up at least weekly and a copy stored in a secure location away from your main place of business.

### **Trial restore of backup**

Regularly perform a trial restore of backed up electronic business records to ensure files and back up system have not become corrupted.

### **Electronic virus protection**

Protection against electronic viruses should be installed on your server and all PC's. You should subscribe to an automatic service to regularly update virus definitions.

## **Document a business continuity plan**

### **Consider documenting a simple plan**

The plan should detail what tasks would need to be completed immediately after a major loss.

This plan may include:

- important tasks which must be performed e.g. payment of accounts
- important people who need to be advised
- key resources that will be required, including staff
- major suppliers and customers who need to be reassured
- listing of important contacts and their details.



# Self assessment checklist

Fire safety (refer fact sheet)	Yes	No
Switchboards are enclosed in non-combustible materials	<input type="checkbox"/>	<input type="checkbox"/>
Switchboards are free of storage or obstruction	<input type="checkbox"/>	<input type="checkbox"/>
Temporary wiring, extension cords and power-boards use minimised	<input type="checkbox"/>	<input type="checkbox"/>
A regular general inspection of electrical equipment is conducted	<input type="checkbox"/>	<input type="checkbox"/>
Regular testing and tagging of portable electrical equipment	<input type="checkbox"/>	<input type="checkbox"/>
All access aisles are free of storage	<input type="checkbox"/>	<input type="checkbox"/>
Internal waste bins are emptied at the end of trade each day	<input type="checkbox"/>	<input type="checkbox"/>
External waste bins are located well away from the building and lids are locked after trading hours	<input type="checkbox"/>	<input type="checkbox"/>
Waste cardboard boxes are folded flat, securely stored and regularly removed	<input type="checkbox"/>	<input type="checkbox"/>
A suitable extinguisher is installed adjacent to each electrical switchboard	<input type="checkbox"/>	<input type="checkbox"/>
All fire equipment is regularly serviced as per Australian Standards requirements	<input type="checkbox"/>	<input type="checkbox"/>

Public and customer safety (refer fact sheet)	Yes	No
Retail entrances, stairs, ramps and exits are in a safe condition	<input type="checkbox"/>	<input type="checkbox"/>
Handrails are installed on ramps or stairs with more than three risers	<input type="checkbox"/>	<input type="checkbox"/>
Internal floors are in a safe condition, wet floor signs are available	<input type="checkbox"/>	<input type="checkbox"/>
Block stacks are regularly inspected for stability or other hazards	<input type="checkbox"/>	<input type="checkbox"/>
Aisles between storage racks are kept free of storage	<input type="checkbox"/>	<input type="checkbox"/>
Free standing display racks are free of sharp edges and kept fully stocked	<input type="checkbox"/>	<input type="checkbox"/>
Stock replenishment is conducted outside of trading hours	<input type="checkbox"/>	<input type="checkbox"/>
If conducted during hours, boxes kept in aisles are kept to a minimum and a staff safety watch is present at all times	<input type="checkbox"/>	<input type="checkbox"/>
Staff are kept aware of their obligations concerning sale of restricted products	<input type="checkbox"/>	<input type="checkbox"/>

# Self assessment checklist

Cash handling procedures (refer fact sheet)	Yes	No
Documented cash handling procedures are available to all relevant staff	<input type="checkbox"/>	<input type="checkbox"/>
Maximum limits are set for cash held at the Point of Sale (POS)	<input type="checkbox"/>	<input type="checkbox"/>
Takings are counted in a secure, back of house location	<input type="checkbox"/>	<input type="checkbox"/>
A safe, adequate for the maximum cash exposure, is securely installed	<input type="checkbox"/>	<input type="checkbox"/>
Cash takings and float are secured in a safe after hours	<input type="checkbox"/>	<input type="checkbox"/>
Banking is conducted at least every two days	<input type="checkbox"/>	<input type="checkbox"/>
Cash exposures have been minimised by introducing EFT and customer accounts	<input type="checkbox"/>	<input type="checkbox"/>
High value and attractive items are adequately secured	<input type="checkbox"/>	<input type="checkbox"/>
Threat awareness is regularly discussed with staff	<input type="checkbox"/>	<input type="checkbox"/>

Physical and electronic security (refer fact sheet)	Yes	No
All tobacco products are securely locked away after trading hours	<input type="checkbox"/>	<input type="checkbox"/>
Lottery tickets are stored in a locked safe after hours, and records of unsold ticket numbers are updated daily	<input type="checkbox"/>	<input type="checkbox"/>
Drawers, cabinets cash registers and cash drawers, which contain low value items, are left unlocked or open after hours	<input type="checkbox"/>	<input type="checkbox"/>
External security lighting is installed at the front and back of the building	<input type="checkbox"/>	<input type="checkbox"/>
Security grills, roller shutters or bars are fitted to all exposed doors and windows	<input type="checkbox"/>	<input type="checkbox"/>
An electronic security alarm is installed	<input type="checkbox"/>	<input type="checkbox"/>
This alarm is monitored by a licensed security company	<input type="checkbox"/>	<input type="checkbox"/>
This alarm has a dual path of connection 'back to base'	<input type="checkbox"/>	<input type="checkbox"/>
Perimeter detection devices are installed as well as internal detectors	<input type="checkbox"/>	<input type="checkbox"/>
Internal audible alarms and external strobe lights are installed	<input type="checkbox"/>	<input type="checkbox"/>

Business continuity (refer fact sheet)	Yes	No
Insurance cover and sums insured are reviewed annually	<input type="checkbox"/>	<input type="checkbox"/>
Replacement building and contents valuations are obtained at least every three years	<input type="checkbox"/>	<input type="checkbox"/>
Electronic business records are backed up at least weekly, and a copy is stored off site	<input type="checkbox"/>	<input type="checkbox"/>
A trial restore of backed up electronic records is regularly performed	<input type="checkbox"/>	<input type="checkbox"/>
Computer virus protection is installed and regularly updated	<input type="checkbox"/>	<input type="checkbox"/>
A plan has been documented, listing important tasks to be done to ensure business continuity in the event of a major loss event	<input type="checkbox"/>	<input type="checkbox"/>

**For further information, please contact your broker, or Lumley Insurance on 1300 LUMLEY**



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