



# METALS THEFT

With the growing world demand for metals, most notably from India and China, combined with speculative investment in base metals by the financial sector, the price of metals such as lead, copper, aluminium, steel, zinc and nickel has increased dramatically over the last few years. Many metals such as lead and copper have doubled their cost and this trend looks set to continue.

## What is the issue?

Unfortunately, human nature being what it is this has resulted in what Police have described as an 'explosion' in metal theft in general, rather than the targeting of more typical high value specialist metals such as titanium. The targets for theft are not only stocks of metals from within buildings or stored in open yard areas, they are also from building structures themselves such as stripping of lead flashing and roofing sheets. This has led the Police in England in setting up a nationwide task force in an attempt to tackle the problem.

Thieves are becoming increasingly better prepared and willing to take higher risks. The type of premises affected goes beyond the usual trades of metal stockholders, metalworkers and precision engineers; essentially thieves will target anywhere which has a potential source of metals including fixtures and fittings, cable drums, statues from public areas, bells from churches, road signs and even cases of stripping live electric cables.

Incidents range from small scale opportunist thefts to highly coordinated and organised attacks resulting in some cases with six figure losses. However, the financial loss arising from thefts goes beyond the cost of just replacing the stolen metal and is likely to include interruption costs to businesses. This can include the time needed to repair damage and source replacement stock or equipment which can adversely affect orders and deadlines; increases in demand can make replacing stolen stock quickly more problematic. There can also be additional resultant damage to the building structure and even from water damage to internal furnishings if it rains before the theft of roof coverings is discovered.

Many assessments of theft risks may not have taken account the rising trend in metal thefts and therefore may not have considered the risk a particular target. As a result security measures, both physical and electronic, can be correspondingly low leaving them vulnerable to attack. In many cases successfully attacks have required a considerable amount of time and a means of loading/transporting the metals. This has led to the targeting of premises without effective remote signalling intruder alarms or being able to compromise a system that is inadequately designed. Thieves have also used the owner's own vehicles and lifting equipment such as fork lift trucks which have been poorly secured and often with keys left in the ignition.

It is also worth noting that a bi-product of rising metal prices is the need for stock sums insured to be regularly reviewed to avoid the danger of potential under insurance.

Metal theft will remain an issue as long as the value of metal remains high. All businesses with potential targets, bearing in mind the increasingly wide range this covers, need to review their existing security arrangements and management systems to ensure protections take into account the increasing risk and also that contingency plans are place should a loss occur.

## What measures should I take to deter metal theft attacks?

Any solutions will comprise a variety of security options ranging from relatively straightforward lower cost measures to higher cost technical methods. Choices will depend on the risk assessment made on the potential exposures and nature of the premises, however when assessing security measures you consider the overall effectiveness against the ultimate aim of the 'Four D's':

- Deter entry/theft
- Defend against entry/theft
- Detect intruders
- Delay entry/removal of property

## The following provides a useful summary of security solutions available:

### Maximise surveillance levels by:

- installation of lighting systems around the building and site. Ensure as far as possible that lighting is located out of easy reach
- cutting back vegetation which could otherwise provide a screen to hide criminal activities

### Make access onto roofs or into upper windows of buildings more difficult by:

- removing items next to the building such as waste bins or tall trees (it may be necessary to get local authority approval for tree cutting)
- applying anti-climb/anti-vandal paint to drain pipes, roof guttering or even metal roof materials to make it harder for thieves to get at and messy to remove. The paint should not be applied below a height of two metres and warning notices, highlighting its use, should be prominently displayed
- protecting the lower section of lightning conductor ribbons by using a metal cage or sheath securely fixed to the building fabric
- storing and securing ladders internally

### Where possible secure the perimeter of the premises or site by:

- erection of security fencing, such as palisade or weld mesh, meeting the relevant parts of BS 1722:2006
- securing gates with closed shackle padlocks complying with BS EN 12320 to at least Security Grade 5 together with the manufacturers corresponding locking bar
- installation of telescopic heavy duty security bollards protecting the gated entrance outside business hours to prevent a vehicle from being used to force an entry into the site and also to restrict access of thieves' vehicles needed to transport heavier loads of metal

### Improve physical security of the building by:

- Where practical, securing perimeter doors or doors accessing target areas with at least one 5 lever mortice deadlock to BS 3621
- Securing any roller shutters with closed shackle padlocks complying with BS EN 12320 to at least Security Grade 5 together with the manufacturers corresponding locking bar. Intruders often use load bay shutters as a means of escape and to remove higher quantities of materials more quickly especially as internal protection to opening is often poor.
- Installation of telescopic heavy duty security bollards protecting vulnerable building perimeter points, such load bay shutter areas, for use outside business hours to prevent a vehicle from being used to force an entry into the premises
- Protecting accessible windows with bars or security grilles/screens certified to LPS 1175

### **Target protect materials by:**

- Restricting and being selective of what stock, if any, is left in the open
- Where practical considering an internal lockable store or caged area
- Removing any easy means of handling and transporting metals such as securing/isolating lifting equipment, including fork lift trucks, and at least removing ignition keys
- Considering security marking solutions such as those which use a covert forensic marking compound which could also deter theft and otherwise help the police to identify stolen material and aid recovery. Examples include ‘Smartwater’ (see [www.smartwater.com](http://www.smartwater.com)) or ‘i-Gel/i-Grease’ with ‘RedDNA’ (see [www.redwebsecurity.com](http://www.redwebsecurity.com)). Warning notices highlighting that security marking has been used are an effective deterrent and should be prominently displayed around the property

### **Improve use of electronic security systems by:**

- Installing or upgrading intruder alarm protection to ensure the system is appropriate for the exposure i.e. coverage, dual path signalling, Police response and keyholding arrangements. Many incidents have involved compromising the intruder alarm system, either via signalling or tampering with detectors. If it is a new system or there is a significant upgrade this will need to be installed in conformance with PD 6662 (the UK scheme for the application of European Standards EN 50131-1) to at least Security Grade 3 and DD:243 (the Code of Practice for confirmed alarms). Alarm systems should be installed and maintained by a NSI (see [www.nsi.org.uk](http://www.nsi.org.uk)) or SSAIB (see [www.ssaib.org](http://www.ssaib.org)) approved company. Reference should be made to your insurer, especially with regards to signalling which is likely to be specified by a specific product rather than just the Security Grade.
- Considering installation of a Closed Circuit Television (CCTV) system with adequate monitoring and recording, ensuring warning notices are displayed prominent around the site. If there are higher values, especially of stock stored in the open, consideration should be given to installing a detector activated remotely monitored CCTV system complying with BS 8418 linked to a RVRC (Remote Video Response Centre) which provides event driven monitoring of the area.
- Considering use of security fog devices to protect internal areas, installed to comply with BS 7939, which quickly expel a harmless “smoke” or fog into the air so that visibility is reduced to practically zero so that an intruder would find it very difficult to move around and steal property

### **Manned Guarding:**

- For higher risk locations a manned security presence may be considered to supplement security protections with the use of security patrols or 24 hour manned guarding. Guard companies should be NSI approved with use of SIA licensed security personnel (see [www.the-sia.org.uk](http://www.the-sia.org.uk)).

**Finally, prepare or update a business continuity plan to help effectively minimise and mitigate any effect on your business should there be a loss.**

# CONTACT US ...

## How can Chubb Insurance help?

Chubb's loss control representatives are available to help you with all your risk management activities and can be contacted through your local branch

### Birmingham

(0121) 634 2100

13th floor, Bank House  
8 Cherry Street, Birmingham B2 5AL

### Dublin

(00) 353 1 472 2000

6-10 Suffolk Street  
Dublin 2, Ireland

### Glasgow

(0141) 226 2500

19 Blythswood Square  
Glasgow G2 2BG

### Reading

(0118) 918 0700

5th floor, Block B  
Forbury Road, Apex Plaza  
Reading, Berkshire RG1 1AX

### London

(020) 7956 5000

106 Fenchurch Street  
London EC3M 5NB

### Manchester

(0161) 242 4000

14th floor, 82 King Street  
Manchester, M2 4WQ

### Belfast

(0289) 044 7140

Arthur House, 41 Arthur Street  
Belfast BT1 4GB

### Leeds

(0113) 389 2450

Bond House, 3 The Bourse,  
Boar Lane  
Leeds LS1 5EN



**Chubb Insurance Company of Europe S.A.**

Registered office:  
Twin House, Rue Neerveld 107, 1200 Brussels, Belgium  
[www.chubb.com](http://www.chubb.com)

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