



Preventing equipment breakdown

It's tempting to think equipment breakdown will never bring your business to a halt. Yet claims reported to Guild Insurance tell a different story. They remind us that businesses like yours suffer losses every day.

While it's critical to have quality insurance in place, the best outcome is always to prevent these incidents from occurring in the first place.

Don't

- > Don't be fooled into thinking that your 'ever reliable' equipment will last forever. Replacement parts can quickly become obsolete or difficult to source. And repeated breakdowns can be incredibly frustrating for staff and customers.
- > Don't be tempted to operate equipment beyond its rated capacity. Don't push it to its limits or use it for purposes other than what it's designed for.
- > Don't overload power points and electrical circuitry. E.g. piggybacking of double adapters, power boards and extension leads.

> Don't wait for failure to occur – implement a preventative maintenance program now.

- Establish maintenance agreements to ensure all major equipment is regularly checked and kept in good working order.
- Implement a timetable for regularly inspecting equipment. E.g. ensure hydraulic hose lines and electrical cords are free of any damage and clear of moving parts. Keep dust away with regular surface cleaning.
- Review and replace consumable items, such as belts and filters, according to the manufacturer's instructions.
- Keep an accurate log of all maintenance activities.

Do

- > Do ensure all equipment is installed correctly and operating as intended.
- > Do follow the manufacturer's instructions for the installation, operation, storage, cleaning and maintenance of equipment. Obtain another copy of the manual if the original has been misplaced. Ensure the

manual is easily accessible to all staff – an electronic version, scanned or PDF may be easier to keep track of.

- > Do invest in quality power surge protection for all equipment and electrical switchboards.
- > Do schedule regular electrical testing of all equipment.
- > Do invest in periodic thermal scanning of electrical switchboards, to identify any 'hot spots'. Consider the benefits of also scanning any other equipment with electrical switchgear.
- > Do consider the merits of installing Uninterrupted Power Supply (UPS) for critical equipment.
- > Do take preventative action to maintain the integrity of refrigerated stock:
 - Ensure all stock is appropriately placed to allow adequate air flow and cooling
 - Install monitored temperature alarms for refrigerators holding valuable stock

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- Explore alternative storage arrangements or the installation of a back-up power source, to use if the main supply is interrupted
 - Develop clear procedures and checklists for managing refrigerated stock
 - Ensure stock is adequately insured. When using 'Point of Sale' programs, consider having a separate category for refrigerated lines in order to assess exposure and substantiate any losses
- > Do keep all equipment well ventilated to prevent it from overheating. Keep moisture away too.
 - > Do invest in backing up your business information daily and then storing it securely off-site. Lost data can be the most costly outcome of an electrical breakdown involving computers.
 - > Do implement an equipment replacement program. Take the time to choose the right equipment in the first place and work with your accountant to better understand the costs versus the benefits.
 - > Do ensure you understand your insurance cover, including what is and isn't covered with Business Interruption Insurance.
 - > Do keep pest control programs up to date. Remember rats and mice are good
- climbers and can easily chew through wires, cabling and the like.
 - > Do train staff in the safe use and maintenance of equipment, including the early warning signs of failure. Remember to induct all new staff and contractors.
 - > Do encourage employees to report any problems with equipment immediately.
 - > Do promote a safety culture to limit the chance of workplace accidents and injuries.



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