

Relevance: Insurers (underwriters, survey and claims staff)

New BS7984:2008

Keyholding and response services - Code of practice

When the IPCRes document 'Electronic security systems: Guidance on keyholder selection and duties' was written, one recommendation made was that users wishing to use a commercial keyholding and response service should select companies holding National Security Inspectorate (NSI) approval. One of the main reasons for this was that such companies would be operating fully in accordance with BS7984:2001 which, amongst other matters, sets out some very clear arrangements for storage of customers' keys, i.e. that they be kept in a 'secure facility', which can be briefly summarised as:

- A 24 hr manned response centre
- A non-24 hr manned response centre fitted with a remotely signalled intruder and hold up alarm
- A response company vehicle equipped with a key safe and having a vehicle alarm and immobiliser

Demand for commercial keyholding and response services at premises protected by remotely monitored electronic security systems, e.g. intruder alarms or CCTV, is rising; possibly due to some alarm users' doubts about speed of police response and otherwise concern for staff keyholder safety. In a stated effort to reduce response time, at least one national company operating in this market now offers to store keys to customers' premises in a site keybox; the aim being to avoid response personnel having to collect keys from a fixed base or a particular response vehicle before attending. Whilst arguably born out of a laudable intent, such practice was not sanctioned in BS7984:2001, and therefore any NSI approved company employing this method, or companies operating under the recently introduced Security Systems & Alarms Inspection Board (SSAIB) Guarding Services: Keyholding and Response approval scheme, would fail those bodies' BS7984 audit schemes.

BS7984:2008

When BSI came to review BS7984:2001 a proposal was made to recognise site key storage within the revised CoP. Though represented on the revising committee, IPCRes were unable to block the proposed revision, which was subsequently voted through.

Whilst the BS7984:2008 still does not include site key storage within its definitions of a 'secure facility', it is seemingly permitted by an added clause, numbered 6.9. This clause merely points out that, where site keyboxes are used, such facilities may not be as secure as storage within a defined 'secure facility'. It then advises companies to seek written acknowledgement and acceptance from a customer as to the potential security risks.

Elsewhere, clause 6.1.3.i) of the CoP states that written quotations should make it clear that it is the customer's obligation to check with their insurer that use of site key storage is acceptable.

No requirement is made concerning the inherent quality (security) of site keyboxes nor their installation location/method - possibly as there is no UK standard readily applicable to such devices.

Security risks

IPCRes is firmly of the view that use of site keyboxes at alarmed premises, particularly those fitted with confirmation alarm systems unset by use of a physical device (i.e. a fob or key) - which will need to be stored alongside the premises keys, represents a potentially serious security weakness. This is because any intruder gaining access to the keybox (either opening it in situ, or removing it and opening it elsewhere before returning to the premises), will have in their possession the physical means to both unlock the premises entry door and unset the alarm. From that point on they could have unfettered access to the whole premises, with the potential for serious resultant damage or loss.

Insurance Position

Depending on the terms of a customer's specific insurance contract, the use of a site keybox coupled with a loss consequent upon its unauthorised opening, may result in grounds for refusing a claim. Such grounds could include 'lack of reasonable care', absence of signs of 'forcible and violent entry' and/or a breach of part of any applicable 'intruder alarm condition'. For example many alarm conditions will include a requirement that the insured and each keyholder:

- 'must maintain secrecy of codes and security of keys and setting/un-setting devices for the operation of the intruder alarm system' and that
- 'all keys and other setting/un-setting devices for the intruder alarm system must be removed from the premises when they are left unattended'

Insurers would clearly not wish customers to unwittingly find themselves in such a position.

Conclusion

Most insurers are happy for customers to use commercial keyholding and response services without referral. However, in the absence of any specific referral such services still need to comply with relevant parts of any intruder alarm (or other policy) condition. With site keybox use prohibited by typical insurer alarm conditions, the prospect of wider use by an industry now seemingly freed of the previous restrictions, must be a cause for concern.

IPCRes believes that the revision of BS7984 is a retrograde step on several grounds, namely:

1. Site keyboxes can significantly compromise overall site security.
2. No security standard is cited for the manufacture/installation of site keyboxes.
3. It is possible that the recommended site keybox caveats re insurer approval and security impact, will be insufficiently noticeable if simply included amongst providers' standard contract terms.
4. It is doubtful that customers who do note the recommended security warning in providers' contracts will fully understand the potential security risks.
5. It is doubtful that customers will take the trouble to refer to their insurers for advice before agreeing to use site keyboxes.
6. Use of site keyboxes could result in insurance cover being invalidated.

Although they acknowledge the security risks of site keyboxes, NSI and SSAIB say that they are no longer in the clear position of being able to prevent their approved companies from using them. However, following representations from IPCRes they are believed to be developing internal guidance on the issue, which will highlight the security and insurance implications. For that reason insurers should still consider preferential support for NSI/SSAIB approved keyholding and response companies; not least as companies operating outside of NSI/SSAIB approval schemes* are unlikely to have any externally imposed limitations/checks on keybox use at all.

* One widely cited alternative industry approval scheme is the Security Industry Authority (SIA) Approved Contactor Scheme (ACS). For further information see the previous IPCRes bulletin on the Security Industry Authority.

Recommendations

As a result of this change to BS7984, the IPCRes guidance document 'Electronic security systems: Guidance on keyholder selection and duties' is being rewritten to reflect the current position.

In the meantime insurers are recommended to alert their staff and brokers to the potential increased use of site keyboxes, and to generally warn customers against their use.

In cases where insurers do feel unable/unwilling to refuse their use in a particular case, a hierarchy of tolerance is suggested, having regard to the likelihood of potential intruders taking the trouble to compromise a keybox at the premises in question.

For example:

- At low risk premises, e.g. where an alarm is not an insurer requirement:
Here use of a good quality site keybox may be felt to not greatly compromise overall security. For example, the premises or its contents may be regarded as low value with consequent basic physical security, such that there are many potentially weaker access points for intruders to tackle than the keybox and its associated premises entry door.
- At medium risk premises, e.g. where an alarm is a routine insurer requirement:
Here the implementation of some mitigating measures, e.g. alarm protection of the actual keybox and/or monitoring of agreed alarm 'open and closing times' at the Alarm Receiving Centre (ARC) - with keyholder notification of any deviations - may make their use acceptable.
- At high risk premises, e.g. where an alarm is a critical insurer requirement:
Here their use should be prohibited.

Where keybox use is sanctioned by insurers, consideration should also be given to amending any possibly conflicting policy condition(s).