

Statutory Requirements: The Potential Cost of Breach

The case of *New Look Retailers Ltd v London Fire and Emergency Planning Authority* (2010) is not a case involving a charity, but it illustrates issues that are highly relevant to charitable organisations.

The Regulatory Reform (Fire Safety) Order 2005 includes various obligatory procedures intended to ensure that those who own or manage premises where employees or members of the public are present from time to time are reasonably protected from the risk of fire.

The procedures are not prescriptive in detail, but require a person with responsibility for management of the premises to assess and manage fire risks, and take such steps as are necessary to ensure reasonable safety.

In the *New Look Retailers* case, a fire at the premises revealed lapses in carrying out the necessary procedures, and resulted in a fine of £400,000, that was upheld on appeal.

It may be that the size of the penalty in this case reflected the fact that the risk had actually occurred, and fire had broken out endangering lives, but failure to observe statutory requirements can therefore be expensive.

Organisations should also be aware that in some circumstances failure to observe statutory requirements may invalidate insurance that might cover the risk of actions for compensation by third parties. This will depend on the terms of the policy, and the disclosure requirements.

To access fire safety law and guidance documents for business please **[click here](#)**

For more information please contact:

James McCallum

Partner

020 8394 6481

James.McCallum@russell-cooke.co.uk

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December 2010