

# Tool insurance claims: a quick guide

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Whether you work in construction, landscape gardening, plumbing, or any number of other trades, tool insurance is an important cover to consider when you take out your business insurance policy.

If your tools are lost, stolen or damaged, tailored tools cover can give you peace of mind that you and your business won't be left without the equipment you need to get the job done for too long.

And when it comes to buying insurance, having the security that you're covered correctly can't be underestimated.

Here we've listed some tips to help you safeguard your property, and what you need to do if you need to claim on your tools insurance.

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## Insuring your tools

When setting up your policy, it's essential that you cover the full value of your tools. If you don't insure the total value of all your tools, it could significantly reduce the amount you're offered if you claim.

This is due to the insurance [principle of average](#).

### Like for like, not new for old

It's also worth noting that not all policies offer new for old cover. Under certain policies, age, condition and how often a tool is used will all be considered when paying out on a claim.

Also keep in mind that if you don't have a 'new for old' policy, the amount you'll be offered for your tools when you claim will not necessarily be what you paid for them when they were new.

## Security conditions

Most tools cover policies will include security endorsements, specifying conditions around how you keep your tools secure.

They'll include details such as the construction of the building you're keeping the tools in. If you're storing them in a van it'll need to be kept in a locked compound overnight and there'll be specifications as to the type of alarm it has.

These conditions can vary depending on the amount of tools cover you need, so be sure to keep your insurer up to date with any changes.

If the worst should happen and you need to make a claim on your tools insurance, be mindful of the fact that you'll be asked to provide proof of the type of alarm installed in your vehicle.

## Tips for preventing a tool theft claim

In an ideal world, you'll want to avoid claiming for your tools altogether. Unfortunately, with specialist tools costing into the thousands, they can be very attractive to would-be thieves.

But there are some things you can do to safeguard against it.

### Never leave your tools unattended

Firstly, don't leave your tools unattended while on site, even for a few minutes. Tool thieves are skilled at seizing opportunities to steal tradespeople's equipment.

### Mark your property

Consider painting their tips to deter the light-fingered. Etching is another form of marking that's difficult for thieves to remove. Alternatively, you can use an invisible marker to make them easier to trace should they be stolen.

### Make sure your alarm meets your policy conditions

If the alarm on your vehicle doesn't match the security conditions of your policy, keep your tools with you while you're working on a job, and remove them from the vehicle while you're at home.

### Double lock your tools

If you store your tools in your van, think about padlocking them inside, and parking your van with the rear or side doors against a wall to make it harder to prise them open.

## How to help your claim

So you've fully insured your tools, read your policy documents for security conditions, and taken the necessary precautions – but you can't plan for every eventuality and sometimes claims are unavoidable.

Following this guidance, however, should help streamline your claims experience and get you back in business as soon as possible.

### Always keep receipts and other evidence

If you're VAT-registered you'll be accustomed to keeping receipts of new tools. Even if you're not, getting into the habit of keeping receipts will be helpful if ever you need to make a claim. **It's important to make sure your receipts are stored in a safe place away from your tools.**

Along with keeping proof of your purchases, photos will also help to identify your tools if they're stolen. It's a good idea to keep a record of their serial numbers too.

## Document damage to your vehicle or premises

If your tools are gone and there are signs of forced entry to your van or workshop, take photographic evidence to share with the police and your insurance claims handler.

### Report tool theft to the police immediately

You should report any theft to the police immediately.

The police will give you a Crime Reference Number (CRN), which you'll later pass on to your insurance claims handler.

### Understand your policy excess

Before even lodging a claim, make sure you're familiar with your tools excess. With excesses ranging from £100 to £500 – or even a percentage of the value you've insured – knowing this figure before you try to claim will save you time if the claim amount is smaller than the excess amount.

## How to make an insurance claim if your tools are stolen

- 1** Get all your evidence ready to share with your claims handler, including receipts, photos, serial numbers and CRN.
- 2** Contact Simply Business as soon as possible, if you're insured through us – online, by email or on 0333 207 0560.
- 3** Work with a dedicated claims handler to document all the details of your claim.
- 4** Review your claim and send us any required supporting evidence via Mi Claim.
- 5** Get a decision once we've reviewed all the details.
- 6** Receive a BACS transfer within 24 hours of your settlement being agreed.

## Further reading



### Tool theft hotspots: data reveals worrying trends for tradespeople

Tradespeople across the UK are losing out on thousands of pounds, as sophisticated thieves target vans for the expensive tools inside.



### Tool theft could cost over £1,000 – before you replace your tools

We all know tool theft is on the rise in the UK, with thieves going for bigger hauls. But what about the other associated costs?



### How to keep tools safe in a van: top van security products and tips

With tool theft on the rise, van security is a top priority for tradespeople. It's important that you take steps to keep tools safe in your van.