

Doncaster floods: successful £630,000 business interruption claim

“A substantial claim for loss of turnover was met: Morgan Clark successfully argued that, despite a growth in turnover after the flood, this growth would have been even higher if operations had not been interrupted.”

The incident

In 2007, the town of Doncaster was hit by two floods in very quick succession. A large trading estate was very badly affected, including a successful steel processing and stockholding company. Three of its industrial units on the estate were contaminated by flood water and most of its stock damaged. This had a significant impact on its trading operations.

The claim

The company turned to Morgan Clark’s team of commercial loss assessors to manage its claim for business interruption. Morgan Clark’s business interruption specialists worked with them to ensure they received their full entitlement: in short, what was needed to re-start trading and to secure the future of the business.

In particular, Morgan Clark and the company’s management worked together to draw up imaginative plan which did not mirror operations prior to the disaster. This would not only enable a quicker resumption of trade but would also rationalise the company’s operations.

The results

With the help of Morgan Clark, the company successfully claimed £630,000 under the terms of its business interruption policy, covering:

- The cost of rationalising its warehousing structure. Rather than re-instate and move back into the three existing warehouses, the company moved all its operations into one warehouse on another site.
- Compensation for the theoretical period it would have taken to re-instate the existing warehouses and move back in.
- A very favourable settlement for loss of turnover: despite an increase in turnover in the immediate aftermath of the incident, Morgan Clark successfully argued that this growth would have been even greater without the flood.

“Morgan Clark worked with the company to turn this disaster into an opportunity to rationalise operations. Rather than move back into the three damaged warehouses, all activities were brought together under one roof in a new unit on another site.”

Call us today on 0800 0975156 to discuss how we could help with your insurance claim.

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