

# Strata Insurance doesn't cover items in a storage cage.

---

The rapid rise of apartment-style strata living across Australian cities has coincided with a significant increase in the number of people using storage cages to store their belongings.

This trend has come about due to the limited space in many modern apartments. Unfortunately, an increase in the use of storage cages has also seen a surge in the rate of storage cage theft. Do your OC clients have the right protection in place?

Personal contents, often those of great value, are kept in storage cages and sadly this makes them an attractive target for criminals.

As an insurance broker, we have seen items like televisions, furniture, skis, and racing bikes worth over \$5,000 stolen from storage cages. Yet in many cases, owners of these items fail to realise they lack the right insurance to cover the loss and / or replacement of these items.

**This article clarifies some common myths to help you educate your clients and ensure they have the right insurance protection to cover valuables kept in storage cages.**

## **Myth 1 – Storage cages are in the common area, therefore contents of storage cages are covered under Strata Insurance.**

**Incorrect.** Despite storage cages being situated in what may be deemed a common area, it doesn't mean the contents are covered by Strata Insurance!

**Strata Insurance is only designed to cover the building structure including fixtures and fittings, and Public Liability for the common areas.**

# Storage cage insurance.

A **Contents Insurance policy** is required in order to protect against accidental loss or damage to contents within the storage cage.

## Myth 2 – All Contents Insurance policies will cover items kept in a storage cage.

**False!** Make sure that the Contents Insurance policy is an Accidental Damage policy, not a Defined Events policy. What's the difference you ask?

A **Defined Events Contents Insurance** policy is minimal in coverage, and will only cover you for the series of 'defined events' listed in your policy that occur within the home.

**Accidental Damage policies** are much broader in scope, and are designed to insure all accidental loss or damage to contents, other than events specifically excluded by the insurance policy.

Cover provided in an Accidental Damage policy is more comprehensive than a Defined Events policy and in some cases covers contents away from your home e.g. theft of valuables.

As a broker, we always recommend clients take out an Accidental Damage Contents policy if they live in a strata property.



It is important to note however that every Contents Insurance policy differs in coverage conditions.

The best way to make sure items in a storage cages are covered, is by doing the following:

1. **Notify the contents insurer that there are contents kept in the storage cage.**
2. **Make sure the policy schedule notes in writing that the insurance coverage extends to include contents and personal valuables kept in the storage cage.**
3. **List the valuable items kept in the storage cage e.g. bikes, artwork, instruments, sporting equipment, furniture etc.**
4. **Keep the cage locked at all times. If broken into, evidence will likely be required to demonstrate forcible entry in order to be covered.**

## Myth 3 – Theft or vandalism is the only risk.

**False!** Property damage to contents held in storage cages is also common.

Recently we saw a claim for water damage as a result of a truck hitting a fire sprinkler in the carpark of a strata complex. This collision set off all sprinklers in the carpark, causing severe water damage to contents inside the storage cages. Sadly, many of the residents were not insured for the damage.

These events are more common than you may think, making it all the more important for your client to have the right insurance in place to protect their belongings.

# Storage cage insurance.

## Myth 4 – Liability inside the cage is covered by Strata Insurance.

**Not true.** Storage cages are deemed to be the property of the strata property owner. Regardless of whether your clients are owner occupiers, or Landlords renting out their strata property, it is essential for them to have a policy in place that includes Liability Insurance for any injuries that could occur inside the storage cage.

**Owner occupiers:** Accidental Damage Home and Contents Insurance can cover your exposure to this risk.

**Landlords:** A Landlord Insurance policy can protect against this risk.

## Share this information with your clients:

We have also created an online version of this **storage cage article** which you can share directly with your clients to help keep them informed of what they need to do to keep their valuable belongings safe.

[Click here to download](#)

*This article is not intended to be personal advice and you should not rely on it as a substitute for any form of personal advice. Please contact Whitbread Associates Pty Ltd ABN 69 005 490 228 License Number: 229092 trading as Whitbread Insurance Brokers for further information or refer to our [website](#).*

## 5 Tips to protect your contents



1. **Check your Contents Insurance is an Accidental Damage policy**



2. **Tell your insurer about the storage cage**



3. **Confirm in writing that your insurance coverage extends to include contents kept in your storage cage**



4. **List the valuable items you keep in the cage on your policy schedule**



5. **Keep your cage locked at all times**



Whitbread Associates Pty Ltd  
trading as Whitbread Insurance Brokers  
ABN 69 005 490 228 | AFSL 229 092

**If you have clients that need assistance arranging a Contents Insurance policy that protects valuables in their storage cages, please contact your Whitbread Account Manager, or Lidia Siljanoski Whitbread's Personal Insurance specialist, Ph. 1300 424 627.**