



FOR PROFESSIONALS
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IMPORTANT INSURANCE CONSIDERATIONS FOR HOMEOWNERS BEFORE GOING ON HOLIDAY THIS DECEMBER

11 December 2014: Statistics from the Institute for Security Studies, published in December 2013, reveal that the number of cases of house burglaries is greater when the occupants are away on holiday. As a result, it is important that homeowners who are planning to go away over the festive period ensure that they have adequate insurance cover in place to avoid financial consequences in the event of theft or loss.

This is according to Nazeer Hoosen, Executive Director: PPS Short-Term Insurance, who says it is imperative that homeowners consult with their insurance provider before the holiday period to ensure that sufficient insurance cover is in place to fully protect the policy holder in the event of a burglary. “Should the homeowner be found to be underinsured for the items stolen during a break-in, the homeowner is at risk of financial losses, as their claim may not be fully paid out.”

Hoosen points out that underinsurance is a common problem within the industry due to homeowners underestimating the value of the contents in their homes. “It is imperative that policyholders provide an updated list of contents and their appropriate replacement values to their insurance provider on a regular basis to ensure all insurance claims that may be submitted will be fully paid out. The last thing a homeowner needs after going through the ordeal of a break-in, is to deal with a financial headache as well.”

In addition to avoiding underinsurance, homeowners also need to ensure that they have taken the necessary steps to help reduce the chances of a house break-in while they are away on holiday. “This means checking that all alarms are in working order and testing the alarm with the armed response company. Added measures such as electric fencing or CCTV cameras not only act as a deterrent for housebreakers, but sometimes help to reduce insurance premiums.”

Hoosen says ensuring sufficient insurance cover is in place should extend beyond the home itself. “Any consumers who are planning to take portable devices such as iPads and smart phones with them on holiday should also check with their insurer whether these items will be covered in the event of theft or loss while on holiday. These types of items are usually covered under the All Risk section of the homeowner’s insurance policy.”

During the festive season many consumers tend to receive additional expensive items. Hoosen says that it is vital that policyholders inform their insurers in order to add them to their insurance cover. “Policy

documents have to be updated as soon as possible with the value of all the newly acquired items to ensure they are covered should the items become lost or stolen during the holiday.

“It is important that policyholders understand any exclusions that may exist in their current policy by speaking to their broker about the terms and conditions. By engaging with their insurance broker before travelling, consumers can ensure that all their valuable possessions – both in the home and those being taken with them – are fully covered while they are away,” concludes Hoosen.