



FOR PROFESSIONALS
SINCE 1941

RAINY SEASON CAN LEAD TO HOME INSURANCE CLAIMS PROBLEMS

23 October 2013: With summer fast approaching, the South African rainy season across most of the country can present a number of insurance related challenges for homeowners. As a result, it is important for consumers to educate themselves about the possible reasons why insurance claims related to rain could be rejected in order to mitigate the risk of financial loss.

This is according to Nazeer Hoosen, Executive Director: PPS Short-Term Insurance, who says one of the easiest ways for consumers to avoid claim repudiations due to water damage in the home is to perform regular maintenance checks. “Homeowners insurance pays for sudden and unexpected events – it does not pay for gradual deterioration or maintenance.”

The most common type of claim insurance companies receive from homeowners during rainy seasons are related to water damage caused by water leaking through the roof due to a heavy storm, says Hoosen. “In addition to this, poor draining can result in water accumulating quickly in a courtyard area where a drain is blocked, getting into the house instead of draining away and causing severe water damage.”

He says any claims related to a lack of regular maintenance will be rejected as it is the responsibility of the homeowners to keep the home in an insurable condition. “Lack of regular maintenance can result in tiles shifting on the roof, broken tiles not being replaced and/or put back in place properly. A roof improperly maintained which allows water in will lead to a claim rejection.”

Homeowners should walk around their property and check that nothing is likely to stop or hinder water from flowing out and away from the property ahead of rainy season, says Hoosen. “Check the drainage outlets and make sure dry leaves or other debris are removed from outlets before the rainy season starts – the drainage outlets within courtyards and patios often accumulate during winter and people forget about it.”

Hoosen warns that homeowners should watch out for pooling of water, especially on a flat roof, because if this issue is not corrected it can lead to problems at claim stage. “On flat roofs homeowners need to check the asbestos lining on a regular basis as well as the sealing on the screws.”

He says other factors homeowners also need to consider in addition to maintenance include checking on the insured value of the home – in other words, whether the building is insured for the correct replacement value allowing for current building costs. “Often homes are insured for their market value, which does not help if it costs more to rebuild the home following severe damage. If homeowners conduct alterations, albeit small ones, this can also lead to a large increase in property values, and one does not want to be under-insured at

point of claim. It is safer to conduct regular valuations of what it would cost to replace the home and ensure this is the value the home is insured for.”

“By bearing the above in mind, homeowners can better ensure that any claims related to water damage during the rainy season are not rejected and make sure their home insurance policy covers them in the event of unforeseen or accidental damage,” concludes Hoosen.