

Insurers and homeowners equally responsible for managing flood damage

Recent heavy rains have put insurers under enormous pressure to respond to flood damage claims from thousands of clients. Beyond the distress caused to policy holders, recent flood damage is also driving up insurers loss ratios.

Since insurance is there to protect against unforeseen losses “a good insurance policy should respond to policy holders regardless of the seriousness of the circumstances”

Most standard policies should cover the following weather-related damage:

- Damage caused by storm, flood, wind, water hail or snow
- The cost of consequent rain damage to your home’s interior or its contents.

The scale of recent flooding has made it impossible for insurers to process all claims swiftly. At the same time homeowners must remember that insurance will protect them against sudden and unforeseen losses. Insurance does not, however, cover damage resulting from a failure of routine maintenance.

Many homeowners mistakenly believe that their insurance policy will cover any rain or storm damage. If read correctly, however, consumers will see that all policies require homeowners to take reasonable steps to reduce or prevent loss before damage takes place.

If home owners fail to conduct reasonable maintenance a loss may not be considered unexpected, and in some cases an insurer may reject the claim outright.

For example, a policy will not necessarily cover rain damage to a house or contents if it results from a poorly maintained roof. If, however, a severe storm breaks a roof tile and buildings or contents suffer water damage insurers will pay as the damage was both sudden and unforeseen.

On the other hand, insurers will generally cover rain water damage to the interior of a home unless they believe the home owner has failed to repair or ignored a leak, or negligently ignored routine maintenance.

After all “insurance is not there to pay for your household maintenance. All homeowners should look after their property as if they were not insured”.

To avoid insurers rejecting weather-related claims in these turbulent times, it’s advisable for home owners to conduct the following checks on their property:

- Check the gutters, valleys and roof flashing for blockages. Anything that impedes the flow of water is likely to cause leaks and consequential damage. Damage resulting from blocked gutters or valleys or perished flashing will not be covered by your insurer.
- Check flashing regularly, ideally every year. Both galvanized zinc and membrane flashing become brittle and porous over time. Similarly, malthoid underlay used on some slate roofs becomes brittle with time allowing water to penetrate.
- If you have a thatch roof, have the thatch inspected and repaired as necessary. Thatched roofs generally need to be restored every five years in the inland regions and every three years at the coast.
- Inspect the screws on asbestos type and iron roofs regularly. Screws on these roofs loosen over time and need to be repaired, replaced or re-sealed as necessary.
- Remedy damp issues without delay. "Ignoring damp will lead to deterioration that will be attributed to poor maintenance and will not be covered by your insurer"

While the above list is not conclusive, it should serve "to illustrate the conceptual difference between insured damage caused by sudden and unforeseen situations – as opposed to damage resulting from poor maintenance as structures and materials are allowed to erode or decay over time without check."

Kind regards
Dave

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