



FOR PROFESSIONALS  
SINCE 1941

## TIPS TO AVOID WINTER INSURANCE BLUES

*23 July 2015:* With winter already in full swing in South Africa, extreme weather conditions across most parts of the country can present a number of challenges for many homeowners. Therefore, it is vital that consumers ensure they know exactly what their insurance policy will cover in the event of typical winter insurance-related claims, such as damage to their home caused by natural elements or a burst geyser, in order to reduce their risk of financial loss.

This is according to Nazeer Hoosen, Executive Director: PPS Short-Term Insurance, who says most importantly homeowner's insurance only pays for sudden and unexpected events – it does not pay for gradual deterioration or lack of maintenance. “As a result, it is imperative to perform regular maintenance to the property to avoid rejection of insurance claims.”

One of the most common types of claims received during winter is related to a burst geyser due the extreme changes in the water temperature compared with the freezing cold pipes, says Hoosen. “In the event of a burst geyser, it is not only the geyser that needs replacing but sometimes the room below the geyser (which is typically stored in the roof) can be severely water damaged and require repairs or replacements of household contents.”

In the event of a burst geyser, it is vital that homeowners follow the correct steps, as stipulated in their insurance policies to ensure the claim is fully paid out, he says. “When in doubt, homeowners should always contact their insurance provider or broker to enquire about the correct procedures when it comes to geyser-related claims to ensure a smooth process in a typically stressful situation.”

Fire related claims are also more common in winter months due to people making fires at home to keep warm, says Hoosen. “Fire is one of the most destructive elements and can literally destroy a whole house within minutes. As a result, homeowners also need to check 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, and including amounts for professional and demolition fees and escalations.”

He explains that 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 the building value, 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.”

He states that water damage caused by heavy rainfall during this period in areas such as the Western Cape can also result in insurance claims. “One of the easiest ways for homeowners to avoid insurance claim rejections due to water damage is to check for signs of leakages in all the walls, roofs and gutters of their house. Homeowners should also check that nothing can stop or hinder water from flowing in the right direction towards proper drainage away from the home, to ensure that no water flows into the house during heavy rainfalls.”

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