

Water Damage claims are by far the largest source of claims for strata insurance making up 45% of all claims lodged to Strata Insurance Solutions.

Insurers are now starting to pay close attention to properties that have water damage claims, particularly properties that have series of water damage claims. This is because it can indicate pipes, membranes, roofs and other water apparatus are starting to fail due to either coming to the end of their use life or they were not installed correctly when the property was built.

Insurers are applying premium increases and/or higher water damage excesses to buildings with a history of water damage claims. In some instances, only one claim can mean unfavourable treatment from an insurer when the policy renews. On the claims front water damage claims are our most disputed source of claims as insurers have a number of exclusions which can mean they void claims for water damage. These exclusions include damage from wear and tear, faulty workmanship, building defect, gradual deterioration, building or earth movement, rust, corrosion or tree/plant roots.

The best way to avoid a declined claim or high premiums/water damage excesses is to prevent the claims from happening in the first place. This article discusses our top five causes of water damage claims and measures that can be taken to avoid water damage claims, high water damage excesses and repercussions that follow.

PREVENTING WATER DAMAGE CLAIMS / AVOIDING WATER DAMAGE EXCESSES



FAILED WATERPROOFING MEMBRANES IN SHOWER RECESSES



BURST PIPES



FLEXIBLE BRAIDED HOSES



ROOF LEAKS



TOILET BLOCKS

FAILED WATERPROOFING MEMBRANES IN SHOWER RECESSES

Shower recesses are typically built on a suspended timber frame with a waterproofing membrane applied to prevent water from damaging the sub-floor below. A properly applied membrane has a lifespan starting from 25 years until such a time the shower membrane fails and causes damage to the sub-floor. A poorly applied membrane can start to fail within years of the shower recess being built.

To minimise the chance of damage from a failed waterproofing membrane we recommend speaking to a plumber about the following measures:

1. Bathrooms are not designed to last forever. Owners should consider renovating their bathroom every 25 years to replace tiles and waterproofing membranes;
2. Alternatively, owners can repair damaged grout, apply new silicone seals and a spray on water membrane over tiles;
3. If membranes are failing within the builders warranty period (usually six years from construction) due to faulty workmanship, consider applying to cover re-application of all membranes under the builders warranty insurance.

BURST PIPES

Burst pipes can cause major damage to properties particularly if the lot owner is not home to tend to the burst pipe. In a multi-storey building a burst pipe can cause extensive damage to multiple floors. We recommend speaking to a plumber about installing the following:

1. **Water sensors** detect water leaks in its infancy and send an alert to your mobile or security control room if you have a monitored alarm. Water sensors are designed for high risk appliances such as plumbed fridges, water filters, dishwashers and washing machines.
2. **Water shut-off devices** constantly monitor the flow of water and operate on time-based parameters, shutting off the water at the mains once water flow reaches the pre-set time. They also have home and away modes to maximize protection when the building is unattended.
3. **When combining** water sensors and shut-off devices claims can be significantly reduced as the water can be shut-off at the mains the moment the water sensor detects water, preventing any further escape of water.

FLEXIBLE BRAIDED HOSES

Flexible Braided Hoses are becoming a growing issue for many properties and can mean inundation of 1,500L of water per hour to a property. Flexi-hoses should last for 10 years but can fail before their warranty due to incorrect installation. We recommend the following:

1. Regularly check flexible braided hoses that connect plumbing fixtures such as tapware and toilet cisterns to the mains water supply. Look for bulging, rust spot, fraying or kinking.
2. As flexible braided hoses usually burst once they have come to the end of their use life. Once out of warranty we recommend you engage a licensed plumber to replace hoses;
3. Ensure all new hoses come with a warranty.

ROOF LEAKS

Leaking roofs in most cases will cause damage to the internal ceilings. In more severe cases ceilings can collapse and water can damage floors, skirting and cabinetry. The most common cause of roof leaks are from broken and slipped tiles, flashings not being installed properly, blocked gutters and iron roof screws/seals coming loose or failing. A maintenance plan should be implemented for the following:

1. Gutters (all roofs) annually or more if needed;
2. Iron Roofs every 5 to 10 years;
3. Tiled roofs on smaller properties every 5 years
4. Tiled roofs on larger properties annually

TOILET BLOCKS

Blocked toilets are also common source of water damage claims. Aside from water damage to property, sewerage also can cause a safety hazard to property occupiers. If you live in a multi-storey property we recommend you provide a memo or remind unit occupiers not to flush wipes, sanitary products or other foreign objects down the toilet.

This information is of a general nature only and neither represents nor is intended to be personal advice on any particular matter. Shandit Pty Ltd T/as Strata Insurance Solutions strongly suggests that no person should act specifically on the basis of the information in this document, but should obtain appropriate professional advice based on their own personal circumstances.

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