

# Understanding body corporate insurance before potential winter weather damage

By [Carl Smit](#)

6 Jul 2016

Despite winter only just setting in, Cape Town has already experienced heavy rain storms which have left houses across the city flooded, damaging roofs and windows extensively. As extreme winter weather conditions usually result in an increase in property damages, homeowners need to ensure that their insurance policies are up-to-date should the need to claim for weather-related damages arise.



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For those living in sectional title schemes, it can be assumed that the body corporate will have adequate insurance cover against weather-related damage to the building. However, individual unit owners need to properly understand what exactly is covered within the body corporate's policy, as well as know how to claim for related damages should the need arise.

## Internal and external damage

Body corporate insurance covers all buildings within the scheme – whether it be the individual housing units or common property areas such as passage ways and elevators – and applies to both internal and external damage to the unit. For example, if a building's roof or windows were damaged due to extreme wind conditions, the body corporate insurance will pay out to fix the damage.

Should an owner be unsure of the value to which their unit is covered for, a sectional title unit owner is entitled to request the insured value of their property by viewing the insurance policy kept on file by the body corporate. Furthermore, should the owner believe that the amount that the unit is insured for is not sufficient, he or she is allowed to request that the cover is increased. This request needs to be coupled with a recommendation to the trustees to ensure that the value of the entire building is correct, as body corporate rules require that the scheme never be under-insured.

## Claiming back for damages

For many owners, the confusing part is not the terms and conditions of the insurance policy, but rather the process of claiming back for damages in order for repair to commence. It is important to note that it is the responsibility of the owner to initiate insurance claims via the body corporate. If a tenant makes a claim, it still needs to go through the owner of the

unit, who must sign off the claim before it can be taken to the body corporate for processing. Thereafter, the claim must be signed off by the trustee or managing agent to ensure its legitimacy.

Furthermore, claims by owners should not be taken directly to the insurance broker as the body corporate may be unaware of the claim and the broker may not know whether the person initiating the claim is in fact an owner in the scheme.

Once the claim has been made, there is a chance, dependent of the policy and level of damage, that an excess amount will be due. In this case, the question arises - who is responsible for the excess payment? According to the Sectional Title Act in South Africa, the owner of the section who is initiating the claim is responsible for the insurance excess payment.

Should an owner of a sectional title unit wish to initiate additional insurance through an independent broker to cover any future excess payments claims or extend cover for renovations done to a unit, they are free to do so.

## ABOUT THE AUTHOR

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