

Escape Of Water – The Hidden Peril

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CII Harrogate

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1 How much did the market pay in EOW claims in 2018?



£930m

The value of water damage claims made in 2018



22%

Water damage claims share of total claims in 2018



40%

Average cost per claim has increased over 40%



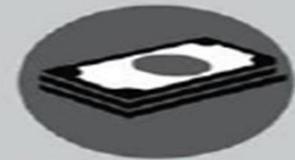
£483m

The value of water damage claims made between January and September 2017



24%

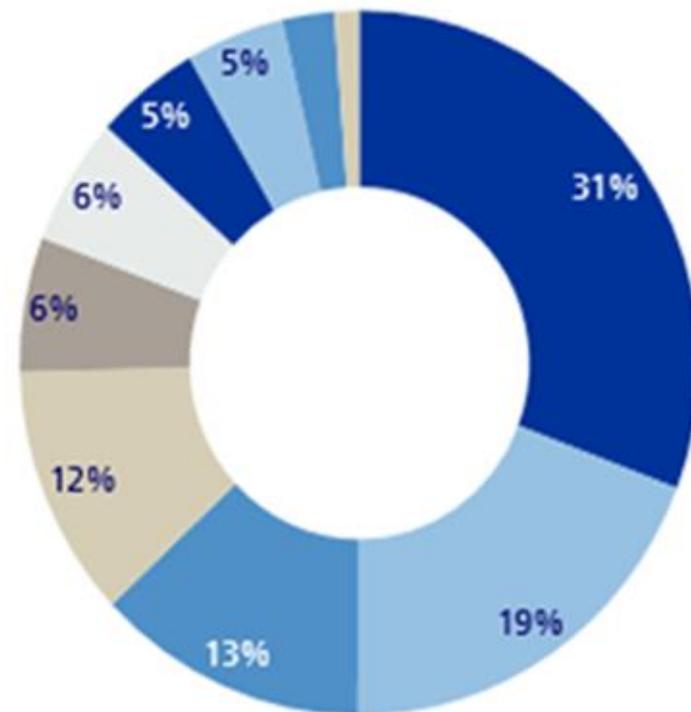
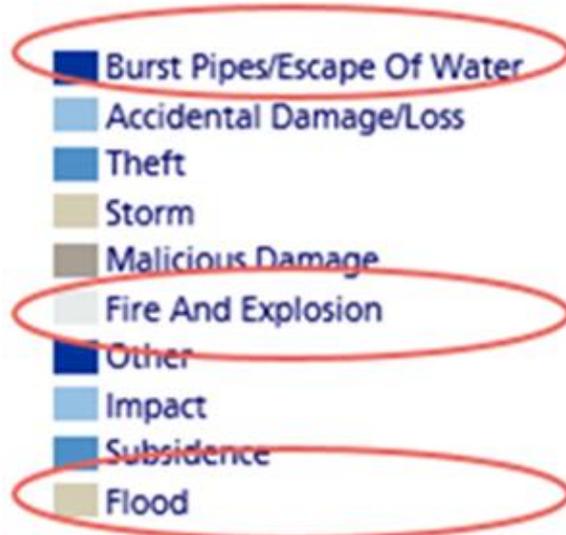
the increase since 2014



£3.9m

The cash amount of water damage insurance claims made per day

What causes claims in buildings?

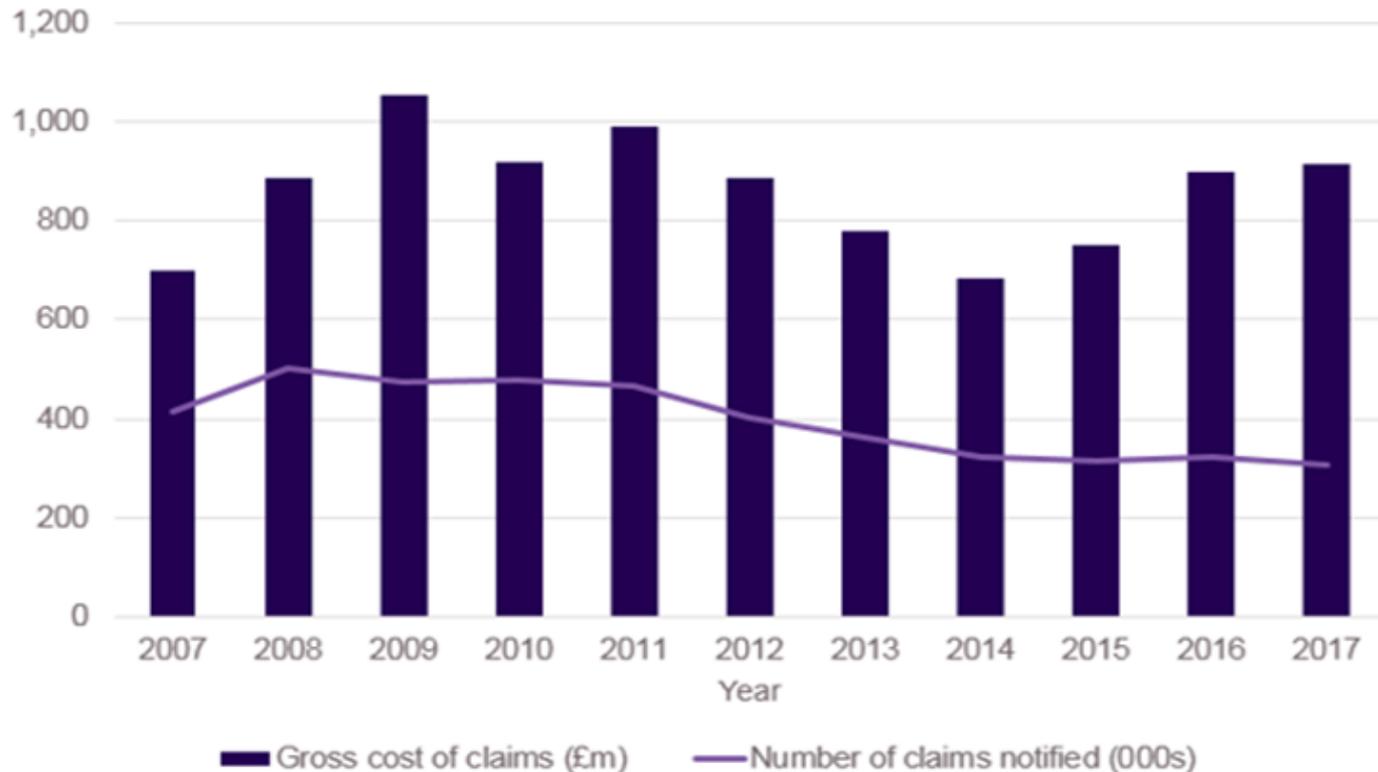


Data source: Internal sample analysis



Association of British Insurers

Escape of water gross claims incurred (£m) and number of claims (000s)



3. Its only just a residential property thing?

Office had a leak in a hot water tank on the 3rd floor. The leak went un noticed for several hours. It was discovered when someone went to use a lab in the office.

End result, approx. £1m loss due to a mixture of repair of the building, replacement of tech and the BI loss until they were sourced from EU.

Also, Construction is also liable for commissioning losses. Multiple floors of a building can be damaged when testing a system before practical completion

Loss of >£1m for reinstatement of damage at a hotel, night before hand over, with DSU payment and loss of revenue due to delay

Mythbusting

Its only new property?

76% of homes were built pre 1979

In 70's 30% of homes had central heating...

In 70's 65% of homes had a washing machine...

How many bathrooms do you need?



The Causes



Weather



Workmanship



Construction



Occupancy



Lifestyle



Materials



Maintenance

Where Does Water Come From?



Bathrooms



Soil Stacks



Plant rooms



Kitchens & Utilities



WC's



Construction Phase



Voids

Why what can we do about it?



Regular Maintenance

-  Know where your stop tap is and turn it off and on every six months to prevent seizing
-  Consider quarterly plumbing checks and annual boiler inspections
-  Maintain seals around baths and shower trays, and lag exposed pipes
-  Keep an ambient minimum temperature $>10^{\circ}\text{C}$ in winter months
-  Keep emergency plumbing contact readily available



Mitigate Contractor Risk

- 1** Complete an escape of water permit.
- 2** Are hot works involved? if so, has a hot works permit been issued?
- 3** Are all contractor and sub-contractor details checked and compliant with CIREG?
Ensure a Water Management Plan has been completed.
- 4** If high value or long lead time equipment is installed before piping systems are tested and monitored, is adequate protection in place?
- 5** Conduct a work area risk assessment with a clear water damage response plan and equipment nearby in case a leak occurs.
- 6** Carry out regular inspections throughout the day and all work coordinated with building owner or facilities manager.
Are there any sprinklers that may be affected? If so, a fire watch may be required.
- 7** Make a final check at the end of the working day to ensure the system is either closed or reinstated for use.

NOVEMBER 2018



Escape of water in flats A tenant's guide



Introduction

Escape of water is one of the most common causes of home insurance claims and can cause a huge inconvenience to tenants and home owners.

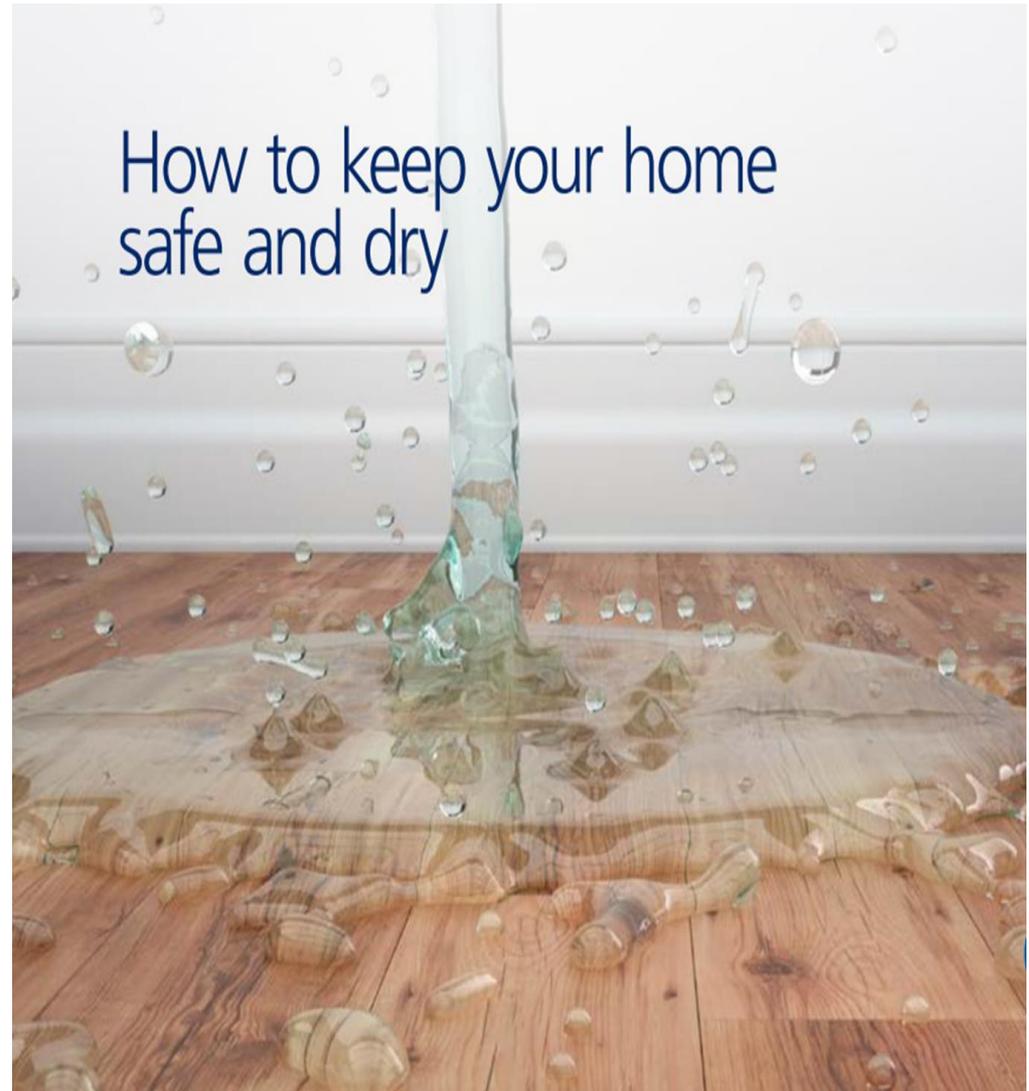
According to the Association of British Insurers, one in five home insurance claims are as a result of escape of water, with insurers paying out £483 million to help customers in the first nine months of 2017.

Flats can be at higher risk than other types of accommodation as one leak could affect many flats on multiple floors of the building. Whilst every precaution may be taken in an individual flat, an escape of water in the flat above could have equally devastating consequences on the ones below. In severe cases alternative accommodation may need to be sought whilst repairs are undertaken which could take up to several months to complete.

It's vital to spot any damage promptly and to minimise the damage. A number of factors can have a direct impact on the risk of an escape of water loss happening, and the first step in prevention is to understand where the risks lie.

Common causes of escape of water in residential properties are:

- Leaking domestic appliances, e.g. washing machines and dishwashers
- Leaking pipes, vessels/water tanks
- Accidental damage to pipes
- Frozen pipes
- Over-flowing baths and showers.



For a full solution the technology should cover these steps:

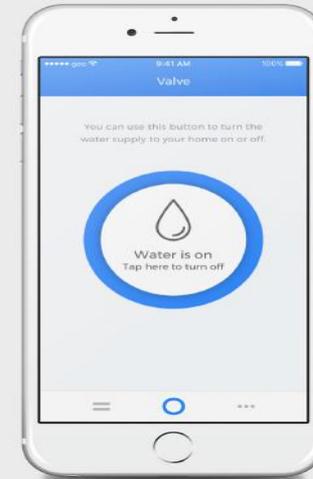
Detection – the sensor(s)

Isolation – water shut-off valve

Communication – signalling to alert you to an incident

Monitoring – platforms used to operate detection systems

Data capture – how the data is used



Technology - Suppliers



<https://www.geotogether.com/waterlock/>


Collander Flats - Escape Of Water
Risk Improvement Actions
Helping you to understand and mitigate your risks



Onfile Date: 14 Feb 2019
Date of issue: 14 Feb 2019
Assessing: Risk Register
Content:

Leaky Windows Ltd
Collection Date:
Wife Lane
Leamington
CV35 9EF



<https://www.aqualeak.com/>

So why is this important?



