

## **What property owners need to know about electricity and insurance**

Homeowners are at risk of having their insurance claims rejected if it is found that they are not in possession of a valid Electrical Certificate of Compliance (ECOC) for their property.

This is according to Marike van Niekerk, Legal and Compliance Manager at MUA Insurance Acceptances, who says that insurers expect their policyholders to prove that they have taken reasonable measures to manage the risks associated with their insured assets.

"Legislation requires a homeowner to be in possession of an ECOC, as proof that the home's electrical installation is safe. Insurers expect the same."

She says that in the event of an electrical fire in one's home, insurers may request proof that the home's electrical connections had been inspected and certified by a qualified electrician. '

"The most important thing to remember, is that a Certificate of Compliance is not indefinitely. In terms of the Occupational Health and Safety Act (OHSA) anyone selling a home is required to present an ECOC (that is no older than two years) before they can transfer a property to a new buyer. If any changes had been done to the home's electrical connections since the issuing of the last ECOC, the seller will have to apply for a new certificate before the transfer."

With that said, Van Niekerk warns that the new homeowners also need to make sure that the ECOC is valid when they buy their home. "An insurer may decide not pay a fire claim (for example) due to faulty electrical installations if the current homeowner did not conduct due diligence to ensure that their ECOC is valid. It has happened before that sellers provided certificates that were invalid due to new electrical upgrades to the home, or in the worst cases, certificates that were fraudulent."

Van Niekerk adds that homeowners should ensure that their electrical risks are proactively managed. "Being able to prove that the owner of a property did everything reasonably to manage the risks that regular wear and tear poses to a home's wiring, can help during claims stage. It is also good home maintenance practice to have one's property re-inspected by a qualified professional at least every two years."

To further prevent any possible claims rejections, Van Niekerk advises homeowners to get registered installers to perform maintenance on all installed electrical appliances, such as ovens, as well.

"There are major implications to not adhering to all the regulations pertaining to a home's electrical connections, and homeowners place themselves in peril - both financially and physically - if they do not take this responsibility seriously," concludes Van Niekerk.

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