



Finnish insurers

Water Damage in Homes and Other Buildings Has Increased

Water damages caused by the broken water pipe in the sanitary facilities.

Although Finnish insurers pay claims for water damage only if the damage has been caused by escape of water from pipes or from appliances connected to fixed piping, recent years have witnessed continuing increases in water damage claims. The water damage claims paid in Finland in 1998 exceeded FIM 500 million (i.e. USD 86.5 million), which is more than 35 per cent of all property damage claims.



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In recent years, however, mildew and rot damage caused by slowly progressing moisture has emerged as a major issue, and insurers have had to pay claims in cases where mildew or rot has been caused by earlier water damage which has not been dried or repaired properly.

This increase in water damage in homes and other buildings is partly explained by the continuing growth in construction, the increased use of heating, plumbing and air-conditioning (HEPAC) equipment, and latent building defects. They are the result of too tight construction schedules, old plumbing and equipment (whose replacement has been neglected), the cracking of frozen pipes in

the winter and residents' careless use of HEPAC equipment (e.g. failure to switch off washing machine cut-off valve after use). Other factors adding to moisture damage include the insufficient waterproofing of wet and damp spaces.

Campaign on moisture intrusion prevention

Fortunately for insurers, many other parties in Finland have started to work for the prevention of water and moisture damage. They include the Ministry of the Environment, the construction industry and associations defending the interests of the HEPAC industry. The Ministry of the Environment has run a campaign on moisture intrusion prevention, published guidelines and monitoring manuals and issued new moisture control standards (C2 1998). Action has also been taken by the Ministry, the construction associations and the HEPAC associations to improve the quality of construction and HEPAC installation work.

The Finnish insurance industry has commissioned a plan to improve water and moisture damage detection and measurement. Acute and earlier water



Water had damaged the wall in the washroom.

damage will be detected by trained staff. When moisture measurement is reliable enough to base drying and repair work tenders on it, the cost of repair work will also be lower.

Modernization plans

The goal is to upgrade inspection of HEPAC equipment in homes and other buildings, to improve detection of earlier water damage and to repair water damage immediately. Housing companies are advised to renovate pipelines in their buildings in several stages, so as not to burden their finances excessively. ■