



A warning well worth acting on

When a fire risk has been identified in a strata property, acting promptly helps protect residents and the building. Leaving a known hazard unresolved can also affect the assessment of any subsequent insurance claim.

A fire risk may be identified through a safety inspection, a contractor's report or a previous incident. Some common examples include:

- Damaged electrical wiring or equipment identified as unsafe
- Appliances showing signs of overheating or recurring electrical faults
- Lint build-up in clothes dryers or grease in kitchen exhaust systems
- Combustible materials positioned too close to heat sources

Small example, serious fire risk

For example, an older bathroom exhaust fan can become a fire risk if it develops an electrical fault or overheats...and a fire that starts in one lot can quickly spread to damage neighbouring lots and common property.

Recognising risk, taking action

Where a fire risk has been identified, owners should:

- Arrange any recommended inspections, repairs or other work promptly
- Follow the safety instructions provided, including stopping use of equipment identified as unsafe
- Keep reports, invoices and other evidence of the action taken
- Let their strata manager know when the identified risk has been addressed

Strata managers work with Owners Corporations to notify owners of identified risks, retaining inspection findings, copies of notifications and confirmation of completed works. These records help document identified risks, how and when owners were notified and actions taken.

Safety checks for all owners

An identified fire risk needs attention from every owner, whether the property is rented or owner occupied.

Landlords Risks can be identified during a rental property's regular electrical safety checks. Landlords should work with their property manager to arrange any recommended inspection or replacement.

Owner occupiers Electrical safety checks help identify unsafe equipment before it causes a fire. Arranging similar checks with a licensed electrician, and replacing older fans where required, helps protect your home, your neighbours and the wider building.

Regardless of whether you're an owner occupier or a landlord, a known hazard needs prompt attention. Don't wait for the next scheduled safety check to act on a risk that's already been brought to your attention.

When inaction can complicate a claim

If an owner ignores a recommended inspection or replacement and a subsequent fire is linked to the identified risk, the insurer may consider:

- What caused the fire
- When the owner became aware of the risk
- What inspection or replacement recommendations were provided
- Whether failure to act caused or contributed to the loss

Depending on the policy terms and applicable law, a claim may be reduced or declined where failing to address the risk breaches a policy condition or a relevant exclusion applies. The outcome also depends on the circumstances, including whether the failure caused or contributed to the damage and any policy provisions protecting other insured parties.

Achieving the best strata insurance outcome

As a broker, our recommendation will not always be based on price. When comparing quotes and policies, it is important to consider the product inclusions, excesses / deductibles, exclusions and cover limits for each insurer. If a fire risk has been identified in your building, please contact your Whitbread insurance broker to discuss the potential insurance implications and any relevant requirements under your policy.

The information provided here is general advice only and has been prepared without taking into account your objectives, financial situation or needs. Please contact Whitbread Associates Pty Ltd | ABN 69 005 490 228 | AFSL 229 092, trading as Whitbread Insurance Brokers, for further information or alternatively refer to our website at www.whitbread.com.au.