

Flood Insurance Advice – A Practical Guide

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Presenters

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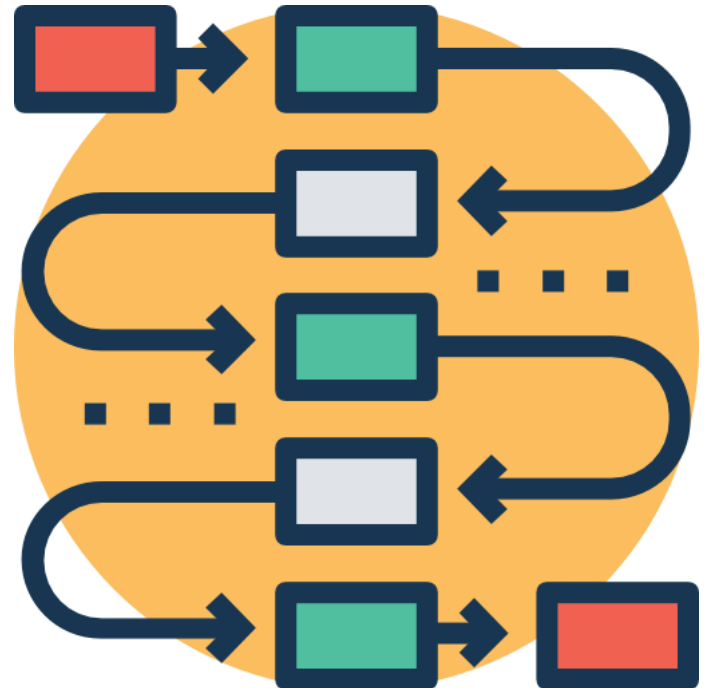


Claims so far

- Insurance Council Media Release as at 10 March 2022
- Qld Claims 73823
- NSW Claims 44193

Initial Flood Insurance Advice

1. Lodge your claim.
2. Do not sign up to 3rd party companies offering to run your insurance claim for a fee.
3. If you were near the property, record your memory of what happened.
4. If you are able to, take photos as you are cleaning up.
5. Keep a written record of interactions with your insurer/assessor/3rd party employed by the insurer.



Insurers/Assessors/3rd party visit

1. Ask questions. If you don't understand keep asking questions. Seek help from an expert if you need to.
2. When the assessor visits, provide them with any information you and the community have gathered about when the water came and where it came from.
3. Your and your community's experience of what happened is just as important as what the assessor can observe from walking around the property.

2nd stage Flood Insurance Advice

If there is a refusal

1st Complaint is to the IDR section of the insurer. Reality is that saying I disagree without additional information is unlikely to change the decision by it is a process you must follow before going to AFCA. If refusal complaint to IDR first and then to AFCA.

IDR must respond in 30 days, once have IDR decision have 2 years to go to AFCA if you want to continue the complaint.

1. There will be disputes about where the water came from. There is a consistent flood definition but not all policies cover flood. So there is likely to be disputes about whether there was storm water, run-off, rainwater, riverflow and a range of definitions.

2. Compare reports that the client gets from the insurer carefully. There can often be differences between an assessor's report and what the client experienced.

3. Wear and Tear and Maintenance clauses are an on-going problem.

2nd stage Flood Insurance Advice

Why will there be disputes?

1. There will be disputes about where the water came from. There is a consistent flood definition but not all policies cover flood. (Suncorp and RACQ policies do) So there is likely to be disputes about whether there was storm water, run-off, rainwater, riverflow and a range of definitions.
2. Compare reports that the client gets from the insurer carefully. There can often be differences between an assessor's report and what the client experienced.
3. Wear and Tear and Maintenance clauses are an on-going problem.
4. Temporary Accommodation

3rd stage Flood Insurance Advice

If the claim is accepted:

Three big issues:

1. Shortage of building materials and qualified tradespeople.
2. The scope of works does not have to be perfect before a client signs off on it and the insurer starts work. It is common for scope of works to be added to as work is being completed and the repairs reveal further damage that needs to be fixed.
3. Cash Settlements – Are attractive to clients but client needs to weigh up the lack of guarantee of the repairs by the insurer, taking on a building manager role to ensure the repairs are done.

What has changed in insurance since 2011?

- Some companies only offer Home and Contents policies that cover flood.
- There is a consistent flood definition but a range of definitions for rain, rainwater, rainwater run-off, storm, storm water and storm water run-off.
- How will that affect potential cases?



Any questions?