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Scam builders target hail-hit Sydney homeowners

Residents in parts of Sydney affected by last month's fierce hailstorms are being warned to be on alert for scam artists posing as builders or insurance company assessors.

Insurance companies have received calls from distraught policyholders who have been doorknocked by scammers demanding cash for clean-up, inspection and repair services.

ICA CEO Rob Whelan said being aware of the deception can save policyholders from becoming storm victims twice.

"This racket is generally carried out by travelling conmen and woman who typically target elderly residents. They often claim to represent the insurance company and pressure the householder for money to inspect the roof," Mr Whelan said.

"Other scammers offer special deals on repairs, demanding cash up front, and leaving the job unfinished or poorly done. They will sometimes offer to drive their victims to the bank to withdraw money.

"If someone knocks at your door claiming to represent your insurer, contact your insurance company to check their identity. An insurance company representative would never demand cash to carry out an inspection. Never agree to repairs that you may wish to lodge an insurance claim for without first checking with your insurer. Not only are these scammers unlikely to do a good job, but unauthorised work may not be covered by your insurance policy."

The ICA recommends:

- Make contact with your insurance company and seek advice about the repairs process under your policy
- If unexpectedly approached by a contractor or assessor, ask to see credentials, and if you are not satisfied contact your insurance company to make sure they are appointed by your insurer. Contractors and assessors authorised by insurers will normally notify customers in advance before repairs or inspections are scheduled to take place
- If you remain suspicious, ask to see the contractor or assessor's driver's licence and write down the licence number and their vehicle's licence plate number
- Do not hand over any form of payment directly to a contractor or assessor requesting cash unless authorised by your insurer to do so. Do not sign a contract with someone who identity you have been unable to verify
- Report suspected scammers to the National Travelling Conman Hotline on 1300 133 408.

Insured losses from the hailstorms have risen to \$328 million from 50,192 claims.