

Tuesday February 5, 2019

Townsville Catastrophe insurance claims rising by the hour

The Insurance Council of Australia (ICA) is expecting the number of insurance claims to rise over the next few days, when policyholders return home.

Residents forced to leave their properties will return gradually to determine the extent of their property loss and damage. Current insurance losses are \$45 million from 3500 claims. These figures will rise as more claims are lodged.

ICA CEO Rob Whelan said: "The ICA wants to allay community confusion and clarify exactly what this situation means to householders in terms of their insurance cover.

"All insurers in Australia have used a standard definition for flood since 2012. The standard definition includes water escaping from a dam, including an intentional release.

"Insurance policies that include flood cover as part of their home and contents insurance will reference this standard definition. Nationally, the majority of home building and contents policies purchased (about 94 per cent) include flood.

"There may be a small percentage of policyholders who have decided to opt-out of flood cover at time of purchase or chose to buy a policy that excludes flood. Those policyholders may need to have their claims tested to determine if their claim meets the standard flood definition."

Commercial flood cover has been available for Townsville businesses since 2007 from some insurers. The ICA is concerned that a significant number of Townsville commercial policyholders may have chosen not to purchase flood cover.

The Insurance Council has already deployed a disaster recovery team to assist policyholders at the disaster recovery hub. Insurance companies are also sending assessors and claims staff to the city to help handle claims.

Safety is the priority as residents return to their properties to survey the damage.

[See over for disaster recovery tips.](#)

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What to do after a flood?

- Return to your property when emergency services declare it safe to do so
- Only enter your property when you are certain you are not at risk
- If water has entered the property, don't turn on your electricity until it has been inspected by an electrician
- Be aware that snakes and other wildlife are displaced during extreme weather events such as flood, and often take refuge in homes
- Contact your insurance company as soon as possible to check what your policy includes or excludes, and seek guidance on the claims process
- You can start cleaning up but first, take photos or videos of damage to the property and possessions as evidence for your claim
- Keep samples of materials and fabrics to show the assessor
- Remove and discard any water or mud-damaged goods that pose a health risk, such as saturated carpets and soft furnishings
- Make a list of each item and include a detailed description, such as brand, model and serial number
- Store damaged or destroyed items somewhere safe
- Speak to your insurer before you attempt or authorise any building work, including emergency repairs, and ask for the insurer's permission in writing. Unauthorised work may not be covered by your policy
- Do not throw away goods that could be salvaged or repaired

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