



News release

Insurance Council
of Australia

Tuesday, 21 December 2021

Insurers warn of disaster chaser opportunists following the Northern Beaches storm

Insurers are urging householders in the Northern Beaches storm affected areas to be aware of disaster chasers operating in their community.

Reports state that disaster chasers are offering tree and debris removal and requesting payment upfront in cash, but leave with work that is either poorly done, not completed or is exorbitantly expensive. Disaster chasers may also offer to undertake home inspections or repairs for cash payment.

Some disaster chasers pressure homeowners to sign a contract on the spot for future repair work and may promise their insurer will pay. This can leave the homeowner liable to pay a commission or inflated repair bills not covered by their insurance policy, as insurers will only pay for approved work that is covered by a policy.

Residents who believe they may have been approached by or signed with a disaster chaser should seek guidance from their insurer.

To date, approximately 730 claims have been received by insurers in relation to Sunday's storm with more expected in the coming days.

Tips for identifying and dealing with a disaster chaser:

- An insurer will not send a tradesperson or builder to your home without notifying you and providing you with details.
- Speak to your insurer before agreeing to any repairs or rebuilding work to make sure your insurer will cover the work.
- A tradesperson or builder who is working for your insurer will not ask you for payment.
- If in doubt, ask for identification such as a builder's licence or driver's licence, and ring your insurer to check.
- If you sign a contract with a disaster chaser, you have a statutory 10-day cooling-off period. Your insurer can help you end the relationship with the disaster chaser.

Quote attributable to Andrew Hall, CEO:

Insurers are closely monitoring claims from Sunday's freak storm, and are already assisting customers with their claims.

Unfortunately, disaster chasers can emerge soon after a natural disaster and target householders who have been affected.

They can leave families, the elderly and vulnerable Australians much worse off, with large bills and homes that remain badly damaged.

The ICA urges anyone who is approached by a disaster chaser to call the relevant authorities.