



News release

Insurance Council
of Australia

Saturday, 5 March 2022

East Coast flood event insurance update – 5 March

The Insurance Council of Australia (ICA) is today encouraging property owners to be present at their property as volunteers (mud army) arrive to assist with the clean-up.

Property owners are advised to take as many photos and videos as they can before discarding items that will be subject to the claim.

Fabric and carpet samples are also useful for verifying the damaged or destroyed property, but policyholders do not need to keep carpet, furniture and so on for their claim.

If in doubt, policyholders should contact their insurer.

Flood waters that affected homes and business from Wide Bay to the Sydney basin are receding, leaving damage to property that is currently being assessed by insurers.

The ICA is aware of some policyholder confusion around how policies may respond to flood.

A standard definition of flood was introduced in June 2012 that applies to home and contents, small business and domestic strata-title policies. The standard definition of flood in Australia is:

The covering of normally dry land by water that has escaped or been released from the normal confines of:

Any lake, or any river, creek or other natural watercourse, whether or not altered or modified, or any reservoir, canal or dam.

Flood cover is a standard policy inclusion except where it is expressly stated cover for flood is excluded, for example where an insurer clearly states it does not cover flood, or when an option is provided to 'opt out' of flood cover.

Quote attributable to Andrew Hall, CEO, Insurance Council of Australia:

Volunteers in their thousands are showing up to join the mud army and lend a hand to neighbours, friends and strangers as the mammoth clean-up continues in Queensland and New South Wales.

This is heart-warming to see, and we thank all those willing to lift a shovel and bucket to those in need following these devastating floods.

We ask that all those involved in the clean-up adhere to the advice of the property owners and their insurer, and as much as possible take pictures or videos of damage property as evidence for that person's insurance claim.

If you are unsure if an item can be discarded, speak with your insurer.

Insurance assessors are on the ground throughout the impacted communities, working closely with local government and community groups to ensure those impacted receive the information they need to get the claim process started.

Remember

- **Safety is the priority** – don't do anything that puts anyone at risk
- Only return to your property when emergency services give the go ahead
- If water has entered the property, don't turn on your electricity until it has been inspected by an electrician
- Contact your insurance company as soon as possible to lodge a claim and seek guidance on the claims process
- Property owners who have sustained roof damage should advise their insurer, your insurer will arrange emergency works to minimise any hazards and prevent further damage. This can include isolating damaged solar panels or electrical circuits and installing a roof tarp
- Don't worry if you can't find your insurance papers – insurers have electronic records and need only your name and address

What to do if your property has been impacted by flooding and storms

- You can start cleaning up but **first** take pictures or videos of damage to the property and possessions as evidence for your claim
- **Keep** samples of materials and fabrics to show your insurance assessor
- **Remove** water damaged goods from your property that might pose a health risk, such as saturated carpets and soft furnishings
- **Make a list** of each item damaged and include a detailed description, such as brand, model, and serial number if possible
- If water has entered the property, **do not turn on your electricity** until it has been inspected by an electrician
- **Store** damaged or destroyed items somewhere safe where they do not pose a health risk
- **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

As of midday yesterday (March 4) insurers had received 67,537 claims related to flood in South-East Queensland and New South Wales. ICA will continue to collect claims data throughout the weekend and provide an update on Monday, 7 March. .