



# News release

Insurance Council  
of Australia

Friday, 23 May 2025

## Claims begin to roll in for Mid North Coast and Hunter floods

Insurers have received more than 1,600 claims in relation to the severe flooding event impacting the Mid North Coast and Hunter regions of NSW, the Insurance Council of Australia (ICA) said today.

For many residents across these regions in New South Wales, this weather event remains an active emergency, so safety is the number one priority.

The ICA urges residents to follow the advice of local authorities and only return to your home when it is safe to do so.

However, for those who are ready to commence clean-up, the ICA has some tips to assist in the claims process:

- **Prioritise safety.** Where water damage is evident, a qualified electrician should inspect the property before the electricity can be turned back on. It's also important not to drive cars that have received water damage.
- **Document the damage.** Where possible, document any damage with photos and videos. Make a list of damaged items, including the brand, model and serial number if you can, or keep material samples to show your assessor.
- **Begin the clean-up.** You don't need to wait for your insurer to assign an assessor before you can clean up. Throw away any items that cannot be repaired, particularly if they pose a health risk. However, if you believe something can be repaired, keep this item and notify your insurer when making your claim.
- **Speak to your insurer.** Lodge your claim as soon as you can, even if the full extent of the damage isn't yet known. You should also speak directly with your insurer before you attempt or authorise any building work

On Wednesday 21 May, the ICA declared a 'Significant Event' which has activated insurer's disaster response capabilities.

Insurers already have people stationed in communities where it is safe to do so, and more claims staff will be activated once teams can access the flooded affected areas.

Insurers have also stood up additional capabilities to prioritise claims received relating to this weather event.

Quotes attributable to ICA CEO Andrew Hall:

We acknowledge the tragic loss of life and the ongoing impact this event is having on the affected communities. We know that for some this is the second or third flood event in the last few years.

Communities are rallying together to support each other, and insurers stand ready to serve customers through the oncoming recovery period.

We expect to see more claims come through over the weekend as people return to their homes or water damage becomes obvious.

We strongly encourage anyone in the impacted areas to listen to emergency services, take shelter where it is safe to do so and to not put themselves or others at risk. Once safe, please contact your insurer as soon as practicable to let them know you have any loss or damage.

***A list of FAQs can be found at the back of this release.***

## Frequently Asked Questions

*Lines below can be used by media and attributed to a spokesperson from the ICA:*

### **When will insurers be on the ground in affected areas to assist customers?**

Safety is our number one priority, for both the communities impacted and our teams across the State. Insurers already have boots on the ground in some communities impacted by this severe weather event. Insurers are ready to mobilise and have made necessary preparations to enter these communities and meet with impacted policyholders as soon as it is safe to do so.

### **What's the ICA's advice for impacted policyholders?**

1. Prioritise safety. If you have evacuated your home or business, only return when it is safe to do so. If your home has water damage, don't turn on your electricity until it has been inspected by an electrician. Do not drive your vehicle if it has suffered water damage.
2. Contact your insurer as soon as you can. You can lodge a claim without knowing the full extent of the damage. Your insurer will also have all of your policy information on hand.
3. Take photos and make a list of damaged items, including the brand, model and serial number if you can, and keep material samples.

### **How much will the total damage bill for these floods amount to?**

It is currently too early to tell the impact that the Mid North Coast and Hunter floods will have and what the total damage bill will be.

The floods of early 2022 remain the costliest insured event in Australia's history with \$6.4 billion in insured losses across more than 245,000 claims.

While we don't expect this weather event to be as large or costly as the events of 2022, insurers stand ready to respond and assist customers.

### **Is flood and storm damage typically covered under standard home and contents policies?**

Most standard home and contents policies in Australia will cover damage caused by storms but this is something customers should clarify with their own insurer or by reading their product disclosure statement. However, some customers may have opted out of flood cover. Customers are encouraged to contact their insurer if they want to better understand what they are covered for.

### **How many homes/businesses are at risk of flood?**

Floods pose a critical threat to Australia. Around 1.36 million properties across the country face some risk of flooding, and it is estimated that half of these properties fall short of the flood resilience measures of modern planning and building standards. Around 298,000 of these properties – approximately 225,000 homes and 73,000 businesses – face a severe or extreme risk of flooding – that is, respectively a two or five per cent chance of flooding each year. 171,000 of these properties are in New South Wales.

Analysis of the 2024 National Flood Information Database (NFID) indicates that approximately 70 per cent of households exposed to the highest flood risk are in areas where the median income is below the national median (\$92,000), and around 35 per cent of these households are in areas where the median income is below the poverty line (\$58,000).

Of the estimated 225,000 homes in the highest flood risk locations across the country, only around 23 per cent have flood cover, compared to an estimated 60 per cent nationwide.

### **What can we do to better protect our communities against flood?**

The Insurance Council is calling for the establishment of a \$30 billion, ten-year [Flood Defence Fund](#), shared by the Federal Government and the state governments of Queensland, New South Wales and Victoria, which would:

- Deliver new critical flood defence infrastructure (\$15 billion)
- Strengthen properties in harm's way (\$5 billion)
- Managed relocation (buy-backs) (\$10 billion)
- Future-proof existing flood mitigation infrastructure (\$150 million)

### **Is it normal for insurers to activate embargoes ahead of natural disasters?**

It is normal and longstanding practice for insurers to place what are known as 'embargoes' on issuing new insurance policies or changes to existing policies when a disaster is imminent. This is to prevent people buying insurance opportunistically, which would be unfair to existing customers, and to avoid the need to price the policy for the heightened risk.

If an insured risk is imminent, the probability of that risk occurring and therefore a claim being lodged is high. Insurers would need to calculate a premium that reflects this elevated risk, rather than averaging the risk over an entire year.

Embargoes can apply to new policies, as well as changes to existing policies. They are not applied when a customer is renewing during the embargo period.

Insurers have currently placed embargoes on insurance products for customers in many parts of New South Wales.

However, some insurers do offer options to take out a policy with a waiting period for pending risks. This means the policyholder would be covered for claims that aren't related to the pending risk (i.e. theft, accidental fire).

### **Will insurance premiums increase as a result of the Mid North Coast and Hunter floods?**

Giving that this weather event is still ongoing, it is too early to predict what impact it will have on premiums.

However, the frequency and severity of natural disasters has increased in recent years and this is contributing to higher premiums across the country. Insurers have been calling on governments to invest more in resilience and mitigation to protect the many Australians who are living in harm's way and improve insurance affordability and availability – as outlined by our call for a Flood Defence Fund in our [Federal Election Platform](#) released in February.