ABI

Association of British Insurers

Responding to Floods

What You Need To Know

Scottish Flood Forum

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Introduction

This leaflet explains how your insurance company will respond in an emergency situation where your home has been flooded. This guide sets out the support you can expect from your insurer in the days, weeks and months after a major flood.

Insurers will do everything they can to help customers as quickly as is practically possible given the scale of the flooding and its continuing impact on access to flooded areas.

Emergency steps

What to do

If you think that your home may be flooded, consider your personal safety first and whether it is necessary to evacuate your home immediately.

Stay informed of latest developments by listening to your local radio, TV or calling the floodline service on **0345 988 1188** for information from the Environment Agency, Scottish Environment Protection Agency and Natural Resources Wales. If you live in Northern Ireland, you can call **0300 2000 100**.

Do not do anything that may endanger your health and safety and follow any advice to leave your home as soon as possible. Call 999 if you feel in danger from rising floodwater at any point.

How to minimise the potential impact of flooding

If there is time and it is safe to do so, there are some steps you can take to minimise the potential impact of the flooding.

Step 1

Assemble a flood kit' containing your mobile phone and chargers, contact telephone numbers, any current medication, torch, battery, radio, insurance policy details, rubber gloves, wet wipes, hand cleaning gel, first aid kit and bottled water.

Step 2

Ensure your pets are cared for.

Step 3

Move valuable, sentimental or essential items upstairs or to a high place and consider moving your car to an area less likely to flood.

Step 4

Fit any property level resilience measures you have such as flood gates or air brick covers.

If you leave your home and if there is time:

- consider taking any valuables with you;
- lock your doors and windows if possible;
- inform family and neighbours of your plans and how to contact you;
- take with you emergency contact details including mobile phone numbers and email addresses if possible – your insurer will need this information so they can keep in contact with you.

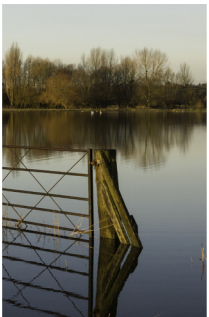
Only return to your home after a flood when it is safe to do so.

What if your home has been flooded

If you have to move out of your home due to flood damage and have adequate buildings or contents insurance, your insurer will offer to provide or pay for the cost of appropriate alternative accommodation and other related additional expenses, such as the removal and storage of undamaged property. If you have buildings cover, your insurer will dry, clean, repair and restore your home. If you have contents cover, your insurer will dry, clean and, restore your possessions or replace or pay for any possessions that are so damaged they cannot be cleaned up or repaired.

If your home is badly damaged by flooding, it may take up to one year or more for your home to be restored and become habitable again. This is mainly due to the time it takes for properties to dry out after being flooded. Your insurer or their appointed loss adjuster will do everything possible to restore your home as quickly as possible and discuss progress with you throughout.

If your home is badly flooded, your insurer is likely to use a variety of specialists to ensure it is repaired as quickly as possible and to a high standard. This may include a loss adjuster to assess the damage and oversee the repair process, a surveyor to oversee major building works, specialist cleaning and drying companies, and professional builders and decorators. Your insurer or loss adjuster will explain to you the timetable for restoring your home, which specialists will be involved at each stage and how long each stage will take.



£37.8m

Emergency payments made by insurers to homes and businesses to help them immediately deal with devastating impacts of flooding caused by Storms Ciara, Dennis and Jorge in February/March 2020.

The remainder of this guide sets out a typical process for restoring a home after a major flood. It is intended as a guide as to what expect. If the process or timetable for restoring your home differs substantially, your insurer or loss adjuster will be able to explain why.

The flood claims process

There are six main steps in putting your home back together after a flood

Step 1

Immediate aftermath

Contact your insurer as soon as possible. Your insurer will advise you on arranging alternative accommodation if necessary, the information your insurer will need from you to support your claim and how to go ahead with the clean-up and repair process.

Step 2

Assessing the damage and finding temporary accommodation

A loss adjuster will be appointed to assess the claim. An initial assessment of the damage will be done, the reinstatement process explained and the options for alternative accommodation outlined. You should expect to hear from your loss adjuster 2 days after contacting your insurer. If your loss adjuster needs to visit you, they will aim to do so within 7 days of the water receding.

Step 3

Cleaning and stripping out

Your loss adjuster will organise the cleaning and stripping out of your home. This work should start within 4 weeks of discussing it with your loss adjuster.

Step 4

Disinfecting and drying out your home

Your insurer or loss adjuster will appoint a drying company to disinfect and dry out your home. This can take from a few weeks to several months. Your loss adjuster will give you a timetable and keep you informed.

Step 5

Repair and reconstruction

Repair work should begin shortly after you get your drying certificate from the drying company. Your loss adjuster will appoint a builder to do the repair and reconstruction work, and will keep you updated on expected timeframes.

Step 6

Moving back to your home

Your insurer or loss adjuster will discuss with you when you can return home. Depending on how badly damaged your home is, this can be between a few weeks and a year or more after the flood.

Step 1

Immediate aftermath

WHO

You should contact your insurer as soon as possible if your home or possessions have been damaged. Most insurers have a 24-hour helpline. If you have separate buildings and contents insurers, contact them both. If you rent your home, contact the property owner as they are likely to be responsible for repairing any damage to the building.

Under normal circumstances your insurance claim will run smoothly. Your insurer's claims process is designed to provide all the support you need. However, you may be approached by a loss assessor, who is independent from your insurer, who offers to help make a claim on your behalf. If you do consider employing a loss assessor, ask for information about all their costs and charges as you are responsible for their costs. These are not recoverable from your insurer. The Financial Conduct Authority regulates loss assessors and you should only employ one that has been authorised by them. For more information on the role of loss asessors and claims management companies go to the ABI's website for a copy of '*Home Insurance and the Role of Claims Management Companies: Top Tips from the ABI*'.

WHAT

Your insurer will take your details and give advice on immediate next steps. Your insurer is likely to discuss with you whether you need alternative accommodation and to ask you various questions to find out the extent of the damage to your home and possessions. As many claims are likely to be being made after a major flood, your insurer is likely to seek information to determine if you need priority attention, such as if you are ill, disabled, elderly or have young children.

If your home or possessions are badly damaged, your insurer may arrange for a loss adjuster to contact you to assess the damage in more detail and oversee the restoration as soon as possible. You will then proceed to step two. If the damage is relatively minor, your insurer may be able to handle your claim without requiring a detailed assessment and you will be able to avoid some of step 2.

Speak to your insurer about removing any items that may pose a health risk (such as rotting food). It will help the insurance claims process to have as much detail as possible about items which have been ruined, but insurers do not expect customers to keep piles of damaged belongings.

WHEN

If your home is badly damaged and your insurer appoints a loss adjuster, the loss adjuster will contact you as soon as possible. If your damage is relatively minor, your insurer will arrange for you to move to the appropriate step below as soon as possible. Further details about timescales are contained below.

Step 2

Assessing the damage and finding temporary accommodation

WHO

If your home is badly damaged, your insurer is likely to appoint a loss adjuster to contact you to assess the damage in detail, arrange your alternative accommodation and plan the restoration process. Depending on the extent of the damage, your loss adjuster will either visit you or liaise with you over the telephone. If your home is severely damaged, your loss adjuster may appoint a surveyor to provide additional expertise. The loss adjuster will act as the project manager during the restoration of your home.

WHAT

Many insurers employ loss adjusters because they are specialists at assessing damage, arranging appropriate alternative accommodation for long periods and planning the restoration of your home. Once your loss adjuster has completed their initial assessment, they should be able to provide you with an approximate timetable outlining what needs to be done to restore your home, who will do it and how long it will take.

If you need to leave your home during the restoration process, most building and contents policies include up to 20% of the total insured value to cover your alternative accommodation needs and associated additional costs, such as additional heating costs. Provided you have adequate insurance (buildings insurance that reflects the full rebuild costs and contents cover that reflects the value of your possessions) this will normally be sufficient to cover the whole of your stay in alternative accommodation. If you only have contents cover, your cover will be limited by the sum insured of your contents policy. If you rent your home, talk to your landlord or buildings manager about the insurance they might have in place to provide for your housing needs or the action they are taking to re-house you. You may choose to stay in your home during the repairs process, however you may wish to consider the environment you will be living in, such as the potential disruptions, and discuss this with your insurer or loss adjustor.

WHEN

In normal conditions, your loss adjuster would get in contact within 24 hours of you contacting your insurer and undertake any necessary visits within 3 days. However, after a major flood, this may take a little longer both due to the volume of claims and difficulties accessing areas affected by flooding. Nevertheless, you should expect to hear from your loss adjuster within 2 days of contacting your insurer. If they need to visit, they should do so within 7 days of the area becoming accessible.

In normal circumstances, any carpets, furniture or other goods that have been removed from your home should be retained until your loss adjuster has agreed that they can be disposed of. However, if it is going to take several days for your loss adjuster to visit, you may need to throw some things away. If you do this, seek the agreement of your loss adjuster first and follow their advice. If this is not possible, use common sense to provide evidence to your loss adjuster of what you have thrown away. Take several photographs of everything you dispose of and write down details such as the make and serial number of the products. If you need to get rid of flood damaged carpets, cut off and keep samples. This will speed up the settlement of your claim.

Step 3

Cleaning and stripping out

WHO

Your insurer or loss adjuster will organise the cleaning and stripping out of your home. If necessary, they may employ a specialist cleaning firm to do this, often known as a disaster restoration firm.

WHAT

The first step to restoring your home is to remove the silt and other debris left by the floods, to clean affected areas, and to check the gas and electricity supplies and appliances. This will be followed by stripping out your home where necessary – this is likely to include removing damaged and wet furnishings and fittings and removing damaged plaster and woodwork. The amount of stripping out required will be different for each property and will depend on factors such as the level of damage, depth of water, the construction and the drying out process. The full extent of the damage caused by floodwater may not be apparent on the surface, and so it is possible that the extent of stripping out required may be greater than expected. This is, however, essential to allow proper drying out and no more stripping out will take place than is necessary.

If you have any valuables or personal items (for example, photo albums) still in your home, discuss how to clean and remove them from your home with your insurer, loss adjuster or disaster restoration firm.

WHEN

Depending on the extent of flooding, you should expect this work to be started within four weeks of telling your insurer about your claim or discussing it with your loss adjuster. If it is likely it will take longer, your loss adjuster will discuss this with you.

Step 4

Disinfecting and drying your home

WHO

Your insurer or loss adjuster is likely to appoint a specialist drying company to disinfect and dry your home. At the end of this process, the drying company will then certify that your home is dry enough for repair work to start.

WHAT

After cleaning and stripping out your home, the next stage is to dry and disinfect affected areas. Drying homes can take some time. Floodwater can penetrate deep into the fabric of your home even if the flooding seems minimal and shallow.

This deep-seated moisture can take a long time to move back through walls and floors, even if the surface appears dry. The disinfecting and drying process must be completed before repair work begins because otherwise the repair work will not be sustainable and the damage may reappear in the future.

It is important that you do not switch off any drying machines installed in your home unless requested to do so by your insurer or loss adjuster as this could delay the drying out period. Any additional electricity costs incurred as a result of using the drying out machines will be covered by your insurance.

WHEN

The most important factor will be the length of time it takes for your home to dry out. Depending on the severity of the flooding, this can take a few weeks to several months or more. It is important not to cut short this process because this could lead to severe damp problems in the future and damage any repair and redecoration work. Your insurer or loss adjuster will provide an estimate of the likely timescale and keep you fully informed of progress.

Step 5

Repair and reconstruction work

WHO

Your insurer or loss adjuster is likely to appoint a building contractor to undertake the repair and reconstruction work. Insurers and loss adjusters will only employ builders that meet their criteria and are competent to do the work. Your insurer is responsible for the work of builders they appoint.

You may prefer to accept a cash settlement. This will mean you are responsible for managing the repair process yourself. Your insurer will work with you to ensure the cash settlement amount accounts for all the work needed to reinstate the property and explain the key things you should consider (such as the amount of repair work involved and the importance of using suitably qualified suppliers).

If you accept a cash settlement, you will be responsible for the quality of the repair work undertaken by your chosen suppliers and the insurer is not responsible if this work is faulty or needs to be redone.

In the event that unexpected additional damage is discovered during the repair process, your insurer will explain to you the process for re-engaging with them.

WHAT

Once your home is dry, work can begin to restore and repair your home, including for example re-plastering and fitting a new kitchen where necessary.

Your insurer or loss adjuster will also discuss with you whether you would like to design the repairs to your home to make it more resistant and resilient to future flooding. If this does not cost more than the cost of repairing your home to its pre-flood condition, your insurer will not charge you for these changes. If this does cost more than repairing your home to its pre-flood condition, you will be responsible for paying the additional cost. Many resistant or resilient features do not cost more than standard repairs. For more information, ask for a copy of the ABI's leaflet "Guide to resistant and resilient repair after a flood". Most contents policies will pay for the full cost of replacing damaged items with the equivalent new ones. If the value of your contents is more than your insurance cover the settlement of your claim may be reduced to reflect this.

WHEN

The repair and reconstruction work should commence shortly after your home has been issued with a certificate confirming that it is fully dried out.

Insurer Best Practice for Offering Cash Settlements

As an industry, insurers are committed to supporting customers who have been flooded, particularly those who are vulnerable. If you would prefer to accept a cash settlement, insurers will seek to ensure you fully understand what this means for you. ABI member insurers have agreed to the following set of best practice principles when offering cash settlements to customers after a flood:

1. Insurers will discuss with their customer how to best communicate with them.
2. Insurers will satisfy themselves that the cash settlement amount offered is satisfactory in light of the estimated costs to reinstate the property.
3. Insurers will clearly inform customers of the potential implications of accepting a cash settlement.
4. Insurers will undertake necessary checks to assess the capability of a customer to manage the reinstatement process.
5. Insurers will clearly communicate their role after the cash settlement is paid to the customer.

Step 6

Moving back into your home

WHO

Your insurer or loss adjuster will discuss with you when it is safe for you to move back in to your home.

WHAT

You may be able to move back into your home while some of the repair work is ongoing. Where re-plastering has been necessary, it is quite usual for people to move in before redecoration has been completed. Your claim is settled once all the work has been completed and the outstanding payments have been made.

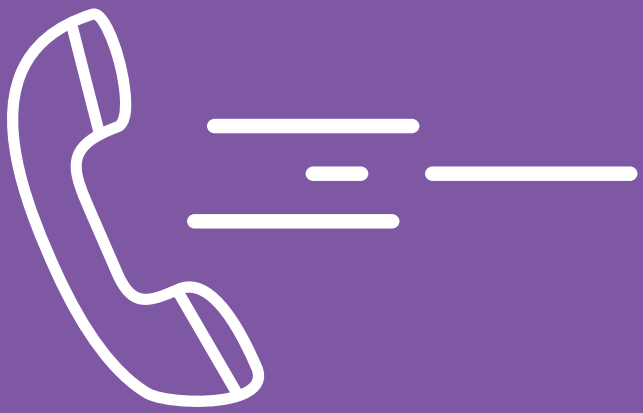
WHEN

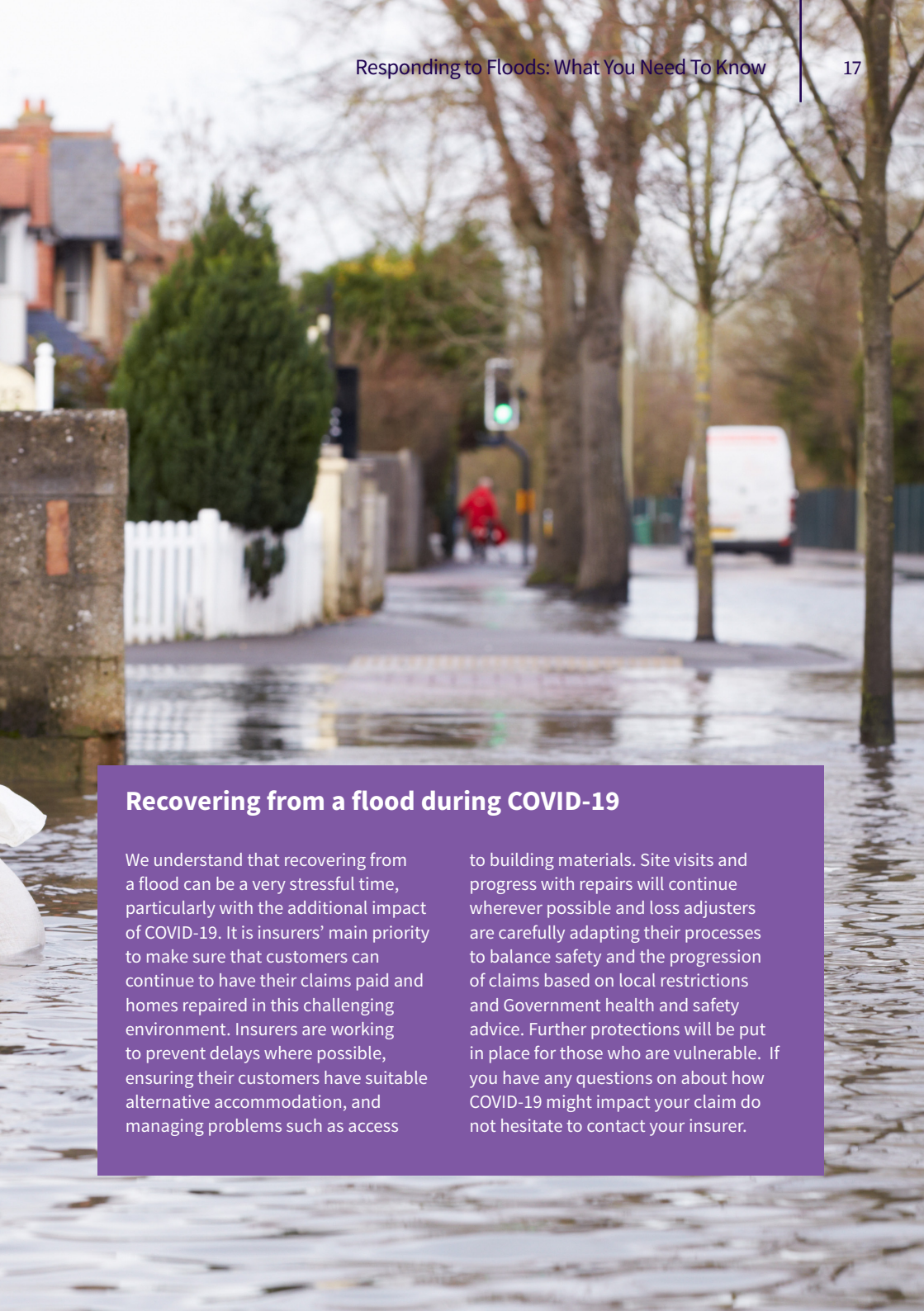
Depending on the degree of damage, you could be back in your home just a few weeks after the flood or it could take around a year before you can move back into your home. Your insurer and loss adjustor will enable you to move back into your home as soon as possible taking into account the work necessary to clean, dry, repair and redecorate your home. It is important not to cut short essential parts of the process as this could lead to problems resurfacing in the future.

What if things go wrong?

All insurance companies will do everything they can to ensure that your claim is handled as quickly and smoothly as possible. If you feel unhappy about any aspect then contact your insurer. If you are unhappy about the way in which your claim is handled, you should ask your insurer how to make a formal complaint to them.

If you are still unhappy at the end of your insurer's complaints procedure, you can complain to the Independent Financial Ombudsman Service on 0800 023 4567.





Recovering from a flood during COVID-19

We understand that recovering from a flood can be a very stressful time, particularly with the additional impact of COVID-19. It is insurers' main priority to make sure that customers can continue to have their claims paid and homes repaired in this challenging environment. Insurers are working to prevent delays where possible, ensuring their customers have suitable alternative accommodation, and managing problems such as access to building materials. Site visits and progress with repairs will continue wherever possible and loss adjusters are carefully adapting their processes to balance safety and the progression of claims based on local restrictions and Government health and safety advice. Further protections will be put in place for those who are vulnerable. If you have any questions on about how COVID-19 might impact your claim do not hesitate to contact your insurer.

Glossary

DISASTER RESTORATION COMPANY

A company employed to clean and strip out your home after a flood. These firms may also supply drying equipment for you home.

DRYING COMPANY

A firm which specialises in supplying and operating drying equipment after a flood.

EXCESS

An amount of money that the policyholder has to pay towards the cost of a claim, for example, the first £50.

LOSS ADJUSTER

A person, independent of an insurance company but engaged and paid by it, who checks that a claim is covered and negotiates with the policyholder the amount payable for a claim. The fee for this service is paid for by your insurer.

LOSS ASSESSOR

A person who negotiates claims on behalf of policyholders. The fee for this service is paid for by the policyholder, not the insurer.

NEW-FOR-OLD

Cover for property where an item lost or destroyed would be replaced with a brand new one, with no deduction for wear and tear. Also called ‘replacement as new’.

REINSTATEMENT

Where insured property is damaged, it is usual for settlement to be effected through the payment of a sum of money, but a policy may give either the insured or insurer the option to restore or rebuild instead.

SUM INSURED

The amount for which property is insured, and the maximum amount that the insurance company will pay for any claim.

Further information and contacts

The Association of British Insurers
http://www.abi.org.uk/

The Environment Agency
http://www.environment-agency.gov.uk/

The National Flood Forum
http://www.floodforum.org.uk/

Scottish Flood Forum
www.scottishfloodforum.org

Scottish Environment Protection Agency
https://www.sepa.org.uk/environment/water/flooding/

Natural Resources Wales
https://naturalresources.wales/flooding/what-to-do-during-and-after-a-flood/?lang=en
(English language version)

https://naturalresources.wales/flooding/what-to-do-during-and-after-a-flood/?lang=cy
(Welsh language version)

Northern Ireland Direct
https://www.nidirect.gov.uk/articles/homeowner-flood-protection-grant-scheme

Department for Infrastructure, Northern Ireland
https://www.infrastructure-ni.gov.uk/topics/rivers-and-flooding

The Chartered Institute of Loss Adjusters
http://www.cila.co.uk/

Royal Institute of Chartered Surveyors
http://www.rics.org/

Flood Guidance
http://www.floodguidance.co.uk

CIRIA Code of Practice for Flood Resilience
https://www.ciria.org/Research/Projects_underway2/Code_of_Practice_and_guidance_for_property_flood_resilience_.aspx

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