

The West Coast and Marlborough regions have experienced a widespread weather event this week. BrokerWeb Risk Services (BWRS) and PGG Wrightson (PGW) hope that you are safe and well following this.

Now the water is receding, you will likely be starting to assess any damage to your property. If you need to lodge an insurance claim, this document can assist you with what to expect during the claim process, and general advice on insurance cover available for weather events such as this.

In the first instance you should follow directions from civil authorities or any other authorised agency.

Where to go for information:

Please refer to the NZ Civil Defence agency for updated information:

www.civildefence.govt.nz

West Coast Regional Council also has up-to-date information for the West Coast:

<https://westcoastemergency.govt.nz/>

Marlborough District Council has up-to date information for Marlborough:

<https://www.marlborough.govt.nz/>

There are some steps you should take in relation to any claim for property damage. If you have suffered flood damage, follow these steps to help speed up recovery:

Do not do anything that puts your safety at risk or causes more damage to your property

Take photos of damaged property to help speed up the assessments and claims process, and if safe keep damaged items for assessment by your insurer

Don't enter flood water, and don't operate cars or electrical appliances that may have been flooded

Get essential services repaired and keep copies of invoices

Make your home safe and sanitary but don't do non-essential repairs

Always wear protective gear, including gloves and masks, in case you're exposed to hazardous material

If required, arranged for a carpet cleaning company to clean and/or dry your floor coverings

If urgent repairs are required to make your home safe and/or secure, you can go ahead and authorise such repairs without the approval of your insurer, and add these costs to your claim

What to expect during the claim process

Your insurer may appoint a Loss Adjustor to assess your loss and report back to the insurer. The loss adjustor does not make the decision on whether a claim is payable under your policy.

The Loss Adjustor will request information from you in relation to the loss. The more information you can provide, the easier and faster you will find the claim process.

Once the Loss Adjustor has received all relevant information from you, they will provide your insurer with a summary of your loss, which forms the basis of your claim settlement.

Residential Insurance – General Information

Below are details of some residential insurance policy benefits that may be relevant to flood damage. Check your policy documentation, or check with your broker, to see if these benefits are available to you.

Alternative Accommodation

If your home is uninhabitable, your policy may provide an allowance for you to relocate temporarily whilst your home is being repaired. Alternative Accommodation cover is generally subject to a sub limit (monetary and time), which you should consider when finalising relocation plans. Any costs claimed under this policy benefit must be reasonable, and we recommend you first check with your broker and insurer.

Landscaping Benefit

You may find that your garden has suffered from ‘overwatering’ this week. Most comprehensive house insurance policies provide an allowance for landscaping costs where your home has been damaged by the same event. Once again, coverage differs between policies and you should check your policy documentation to see if any coverage is available to you.

EQC Cover

EQC provides some limited cover in relation to residential land that has been affected by floodwaters. The below link provides information on the cover provided, and how to lodge an EQC claim:
<https://www.eqc.govt.nz/news/flood-damage-what-etc-covers>

Rural Insurance – General Information

Below are details of some rural policy benefits that may be relevant to flood damage claims. Check your policy documentation, or check with your broker, to see if these benefits are available to you.

Business Interruption

Business Interruption insurance is designed to protect loss of income and additional costs as a result of insurable property damage.

Dependency Benefits

If your loss is due to damage not on your property, cover may be provided under a Dependency benefit in your policy. Dependency cover is subject to a sub limit and may have a stand down period apply. Check your policy document, or speak to your broker, to ascertain the coverage available to you.

Examples of Dependency claims are:

Closure of roads which may impact your ability to obtain goods or services

Damage to premises of one of your supplies, meaning they are unable to supply you with goods

Interruption to supply of utilities e.g. water, power gas

Claims Preparation Costs

Due to the complex nature of Business Interruption claims, most Business Interruption policies will provide an allowance for assistance with the preparation of your claim. A Claims Preparation Costs allowance enables you to appoint an independent specialist to assist you to quantify your loss.

BWRS have access to a Business Interruption specialist if you require assistance with your Business Interruption claim. You should always check with your insurers before appointing an independent Business Interruption claims specialist.

Milk Benefits

Factory closures and numerous road closures around the region (some of which are still in place) may have resulted in your dairy company being unable to collect milk from your property.

A Milk Benefit allowance under a Rural Assets policy is designed to indemnify you for milk you were forced to dump due to non-collection. Sub limits and coverage for non-collection varies by policy, so we recommend you check your policy documentation, or speak to your broker, to understand the cover available to you.

Fences

Fences, sheep and cattle yards have been damaged across the region. Cover for fences and yards varies between insurers, so you should check your policy documentation to see what coverage is available to you.

Some things to be aware of in relation to cover for fences and yards are:

What is the basis of settlement?

Some insurers offer replacement coverage, whereas others only offer cover for the present value of the fences or yards

Most policies will impose a sub limit for flood damage to fences and yards

Culverts, Bridges, Underpasses

Not all rural policies provide automatic coverage for damage to Culverts, Bridges and Underpasses.

Where cover is provided, it will usually be subject to a monetary limit.

You should check your policy documentation to ascertain what coverage (if any) is available to you.

If you need assistance, feel
free to contact a BWRS broker



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