

IS THIS AN INSURANCE CLAIM?

YES

Request their claim number. Consider if the person is particularly vulnerable (eg. elderly, with a medical condition or disability). Customers that require urgent help can have their claims escalated by their insurer.

What is the level of damage? Insurers may declare a total loss based on the level of silt that remains in the house and also whether there is an indication of stresses/movement in foundations, slabs or indications that the building is tilting. These determinations will need to be made by loss adjusters.

MINOR DAMAGE

Claims may be quickly cash settled and simple repairs can be conducted prior to assessment by the insurer. Ensure good documentation of the damage and repair work. Keep samples of carpet, underlay, wall linings.

NO

Follow your usual business process/best practice for dealing with the type of work requested.

MAJOR DAMAGE

The insurer will want their assessment and scope process to be followed. Wait for a loss adjuster to attend the property and the insurer to authorise the work to go ahead.

HAS THE HOMEOWNER RECEIVED A CASH SETTLEMENT?

Insurers will want to verify that a cash settlement is paid to the legal owner of the property, so will check the title before making any payment. They will also check with banks if there is a mortgage in place, as the settlement in any total loss claim will first go to paying back the mortgage. We recommend that you don't start work until you have verified that the settlement has been made, or the insurer has confirmed it will be made to the homeowner.

YES

Request the loss adjuster's report to determine what work the insurer expected to be repaired.

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Ensure a clearly defined scope of work and contract with the building owner.

Depending on the scale of the repairs and how much detail is known about the damage a charge up contract will likely be the best approach.

Verify that the building owner has arranged any necessary insurance cover for the work being done (with their existing insurer). Eg. a contract works extension or confirmation the work is covered by an automatic policy extension for minor works.

NO

For what reason do they require a quote/want the work done now?

Is a loss adjuster's report available?

YES

OK to Proceed.

NO

It is best to wait for this to be completed and signed off by the insurer.

Be aware of scope creep, don't do work outside the insurer's scope unless agreed in writing with the homeowner.

ADDITIONAL RECOMMENDATIONS

Check if a consent is required for any of the work. Eg. bracing, weathertightness.

Betterment: this is fine to incorporate into the work but ensure your contract is clear about how it is being paid for (it will not form part of the insurance claim).

Use a written contract in all cases.

Use CCA compliant payment claims for all your invoicing.

The owner has undergone a traumatic experience, bear this in mind as you undertake the work.

RISKS

Owners may want an incomplete or surface repair in order to sell the property, or to use settlement funds for other purposes.

Owners may claim some work is covered by their insurance when it is not.

ADVICE

Be aware of your legal obligations and implied warranties when conducting this work.

Future owners may have legal grounds to come after you if repair work has not been conducted properly.