

January 2023

# Flood Damage Claims

## We're here to help

New Zealand is experiencing a severe flood event. Communities across the country are under evacuation orders with heavy rain causing flash flooding, landslips and significant road damage.

Severe rainfall and floods can cause significant property damage, power interruption, landslides, prevention of access and supplier interruption which in turn may cause interruption to your business and loss.

Managing a claim can take you away from your business focus; whether that be reopening or rebuilding. We're here to help you respond and navigate through the claims process so it's as smooth as possible.

### Did you know?

The vast majority of policies will cover claims preparation costs, including the services of an Independent Claims Consultant. As an independent claims consultant we can:

- Advise on strategy/policy response.
- Quantify the financial impact.
- Prepare detailed & documented submissions.
- Seek to maximise the settlement outcome and reduce delays.

### Your broker can help you see what your options might be

Your broker can help you understand your options around the Claims Process and access to an Independent Claims Consultant.



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### Getting claim ready

- **Know the process.** Ensure you are clear about the process and what is required of you. If you don't understand something, ask your broker or insurer and ensure you are satisfied with the response.
- **Check your critical policy conditions** such as dates and times for the notification and/or presentation of claims. This information is on your policy paperwork. If your paperwork is damaged, destroyed or inaccessible, contact your insurer or broker who can provide these details.
- **You are responsible for proving your claim.** The onus is on you to fully document and evidence your claim.
- **Detail matters.** The quality of claim presentation and supporting documentation is critical to a successful settlement. Ensure that all documentation passed to insurers is accurate.
- **Communicate, communicate, communicate.** Keep insurers' experts informed of progress throughout the period of the claim.
- **Your claim may take time.** Due to the significant losses, claims assessors and loss adjusters will be reviewing a much larger number of claims than usual. Complicating what is already a difficult situation, there are challenging logistics of accessing affected areas.

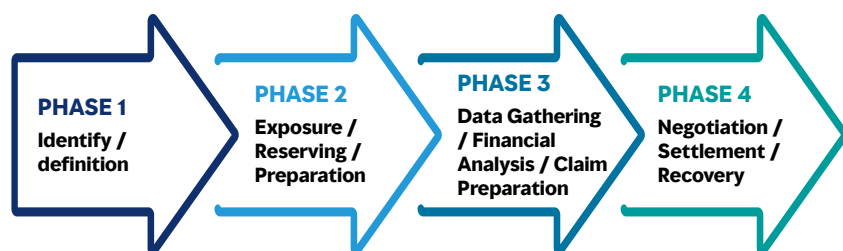
### Your claims advocate

Our Claims Solutions Team seeks to deliver a seamless claims experience from initial strategy and evaluation of a loss right through to the presentation, negotiation and optimal settlement of the claim. We focus on maximising insurance recovery whilst avoiding unnecessary delays.

We are a multidisciplinary team of claims professionals, incorporating claims advocates and claims preparers.

We have travelled the road to recovery hundreds of times to assist clients with ensuring that claims are prepared accurately, submitted in a timely manner and advocated strongly to get positive outcomes.

## Our approach to maximise your claims outcome



## Documentation is crucial. Our top 10 tips

1. **Document as you go.** Organise the systematic collection of information as it becomes available – searching through historic files at the end of the claim is harder and important elements may be missed.
2. **Photograph any damage.** Collect reports, drawings, photographs as appropriate to adequately establish the nature and extent of all loss and damage sustained. Fully document (videotape or “still” photograph) the damaged property, plant and equipment.
3. **Conduct a detailed stock take** or reconciliation of plant and equipment to ascertain damaged assets.
4. **Do not remove any damaged property, plant and equipment** until viewed in situ by loss adjuster, unless necessary (i.e. due to safety, to reduce further damage, to recover). If the property, plant and equipment needs to be removed place in temporary storage, do not throw out.
5. **Document best and worst case loss and cost estimates** as soon as feasible so they can be provided to your insurer to assist with your claim. Make sure you consider the long-term business impacts.
6. **Advice and quotes should be provided in writing.** Retain damaged assets to assess the extent of the damage (repair or reinstatement) and to obtain a quotation for the recommended response. Consider what steps can be taken immediately to either stabilise or temporarily repair assets.
7. **Document conversations.** Document all conclusions of discussions and action points arising from each meeting, leaving no room for misunderstandings or incorrect assumptions.
8. **Support all costs with appropriate documentation** such as purchase orders, work orders, invoices, time sheets, service contacts and material requisitions. Justify business continuity decisions (i.e. alternative suppliers or relocation of offices) with all relevant documentation. This might include emails, meeting minutes etc.
9. **Record all lost sales opportunities in writing immediately.** The ability to prove a reduction in turnover may rely on your ability to identify sales impact.
10. **Track time spent on claims.** Ensure that all the time spent by company employees on claim related activity is properly recorded (including details of the work carried out), this has particular relevance for overtime, temporary employees and casuals.

## Loss Adjusters

Loss Adjusters and other insurer appointed experts act for insurers to assist with quantifying the size of the loss and managing the claim.

Seek the loss adjuster’s agreement prior to material costs being incurred to mitigate the loss and on key decisions, such as reinstatement methods, mitigation expenses, time lines etc. Ensuring loss adjusters understand and agree on the circumstances and uncertainties can provide greater clarity and may reduce the possibility of disagreement as to whether the policy will respond.

As they become apparent, communicate any problems with any suppliers, timetables or work schedules to the loss adjuster immediately, and include them in the problem solving process.

Contact your broker to understand your options for the claims process and an independent claims consultant.

“Set up a daily recording system so that all relevant facts and events are adequately reported – existing reporting systems may not capture all the detail you need for your claim.”

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