



After a flood, many victims experience poor service from loss adjusters and builders and a 550% rise in insurance premiums

A survey of flood victims by the National Flood Forum found that a quarter of all respondents were unhappy with the service provided by their insurer's loss adjuster and that over a third were unhappy with the builders who put their property back in shape. Over a third (36%) said that the loss adjusters appointed by their insurance companies were either 'poor' or 'appalling' and over a quarter (27%) said the same of their builders, many of whom were also appointed by the insurers.

Key complaints included poor communication and a lack of the necessary knowledge and skills. At a time of great distress when many had lost valuable possessions and were unable to live in their own homes, loss adjusters were difficult to get hold of and rarely replied to calls. As one householder put it, "It was a constant battle, the loss adjuster was impossible to contact and we had to deal through his assistant who was arrogant." Another told how his file was given to loss adjusters from Norway and the USA before finally being passed to someone who knew the UK and was able to deal with the case properly. Builders were overstretched and often either left the work undone for long periods of time or subcontracted jobs to unskilled workers. One householder explained how their builder had used "substandard materials" while another recounted how:

"The builder kept cancelling the start date. When he did start, his workmen only worked half days. And we had to call him back on the day we should have moved in because he had left a radiator off the wall and the kitchen-dining room/kitchen had flooded. Then a year later all the walls cracked and we had trouble getting him to come back."

Mary Dhonau, Chief executive of the NFF, said "some of these stories are heart wrenching, we need to look at a better way of handing the trauma flooding causes to families and the insurance and building industry need to get their acts together. At the forthcoming flood summit, chaired by Richard Benyon MP, we will be pressing for a gold standard for best practice when repairing flooded properties. Furthermore there should be a code of conduct when working with those who have been flooded. Flood victims are already traumatized and need understanding, respect, transparency and honesty within the repair process. Many flood victims report fearing having builders back in their homes more than they fear being flooded again. This is an appalling state of affairs".

Another impact of flooding is a worsening of insurance terms. 60% of respondents experienced an insurance premium hike of, on average, 550% and half had their excesses increased – by an average of almost £5,000.

One way of reducing the damage and disruption caused by flooding would be to reinstate flooded properties in a way that makes them more resilient to future flooding. However, only 20% of

respondents were encouraged to follow this route and 20% were actually prohibited from doing so or told not to bother by their loss adjuster, surveyor or builder. Even amongst those respondents who were willing to pay for resilience repair themselves, only 25% received any financial help from their insurers. In addition, only 4% of those who took steps to reduce their risk exposure were rewarded with any reduction in their insurance excess.

It is sometimes argued that it is not in the interests of insurers to increase pay-outs so that homes and businesses can be reinstated in a more flood resilient manner. Although this might lead to lower claims, people are free to swap their insurers at the end of each year-long policy, so there is no guarantee that the company paying for such measures will also benefit from them. For this reason, the National Flood Forum believes that the insurance industry should consider introducing insurance agreements that last for longer than one year. 81% of the participants in the survey agreed with this view.

Notes

295 people took part in this on-line survey, most of them from areas flooded in 2007 and 2009, especially Worcestershire, Hull, the East Riding and Cumbria. Respondents were recruited by word of mouth and by publicity given to the survey during media interviews with NFF officers.

Analysis of the data was conducted by Dr Tim Harries of King's College London.

For summary of findings please go to the National Flood Forum website www.floodforum.org.uk

NOTE TO NEWSDESK: For interviews or further information, please call the NFF at 01299 403055; or mary.dhonau@floodforum.org.uk mobile 07754592534