Responding to *floods*

Introduction

This guide explains how your insurance company will support you in an emergency where your home has been flooded. If the process or timetable for restoring your home differs substantially, your insurer or loss adjuster will be able to explain why. Your insurer will do everything they can after a flood to help you as quickly as possible, depending on the scale of the flooding and access to affected areas.

About us

The ABI is the definitive voice of the UK's world leading insurance and long-term savings industry, which is the largest sector in Europe and the third largest in the world.

We represent more than 300 firms within our membership including most household names and specialist providers, providing peace of mind to customers.

As a productive, inclusive and essential sector to the UK economy, together, we're driving change to protect and build a thriving society.

Emergency steps

What to do

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

If you live in a flood risk area you can sign up to alerts from the Met Office, National or Devolved Environment Agency or your local authority to keep informed. Stay updated 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. Don't do anything that may endanger your health and safety and follow any official 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*

Here are some steps you can take to minimise the potential impact of the flooding if there's time and it's safe to do so.

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.
2. Ensure that pets are cared for and safe from flooding.
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.
4. Fit any property level resilience measures where possible, such as flood gates or air brick covers.

If you leave your home and if there's 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 emergency contact details with you including mobile phone numbers, email addresses and insurance policy documents, including your insurance policy number, if possible – your insurer can use this information so they can keep in contact with you.

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

The flood claims process

There are six main steps to follow if your home has been flooded

Step 1

Immediate *aftermath*

Contact your insurer as soon as possible if your home or possessions have been damaged and they'll advise you on arranging alternative accommodation (if required). Your insurer will request information that they'll need to support your claim and explain how to proceed with the immediate clean-up and repair process. Most insurers have a 24-hour helpline.

If you have separate buildings and contents insurance, 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, and contact your contents insurer if there is damage to your belongings.

Your insurer is likely to seek information to determine if you need priority attention, such as if you are ill, disabled, elderly, have young children, or need additional support. 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.

If the damage is relatively minor, your insurer may be able to handle your claim without requiring a detailed assessment. 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 and for this to be documented. Insurers don't expect customers to keep piles of damaged belongings.

Your insurer's claims process is designed to provide all the support you need. However, you may be approached by a **loss assessor** (not to be confused with a loss adjuster), who is independent from your insurer, and 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're responsible for these. These are not recoverable from your insurer. The Financial Conduct Authority regulates loss assessors, and you should only employ one that's been authorised by them.

When using a loss assessor or claims management company, check whether they'll guarantee the quality of the repairs, or correct any defective works. Insurers will guarantee the work where it's carried out by their approved loss adjusters or contractors.

For more information on the role of loss assessors and claims management companies go to our website: abi.org.uk

Step 2

Assessing the damage and finding *alternative accommodation*

Once you've contacted your insurer, a **loss adjuster** will be appointed (specialists at assessing damage) who will arrange your alternative accommodation and acts as the project manager during the restoration of your home. Following an initial assessment of the damage, the repair process will be explained.

Depending on the extent of the damage, your loss adjuster will either visit you or liaise with you over the phone. If your home is severely damaged, your loss adjuster may appoint a surveyor to provide additional expertise, and they may also offer a specialist flood resilience survey to determine how to make your home more resilient to any future floods.

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.

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 if you're renting. 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.

In normal conditions, your loss adjuster will contact you within 24 hours of you notifying your insurer and undertake any necessary visits as soon as they can. 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 after contacting your insurer. If they need to visit, they should do so within seven days of the area becoming accessible.

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's 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, 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 as this will speed up the settlement of your claim.

Step 3

Cleaning and *stripping out*

Your loss adjuster will organise the cleaning and stripping out of your home. This work should start within four weeks of discussing it with your loss adjuster. If necessary, they may employ a specialist cleaning firm to do this, often known as a disaster restoration firm.

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, fittings, 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. If you've had property flood resilience measures previously installed e.g. water-resistant flooring or plaster, then less stripping out may be required.

The full extent of the damage caused by floodwater may not be apparent on the surface, and so it's possible that the extent of stripping out required may be greater than expected. 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.

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's likely to take longer, your loss adjuster will discuss this with you.

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.

After cleaning and stripping out your home, the next stage is to dry and disinfect affected areas. 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 (a few weeks to several months or more) 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 this could lead to severe damp problems in the future.

It's important that you don't 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 because of the drying out machines will be covered by your insurance.

Step 5

Repair and *reconstruction*

Repair work, including any additional work to make your home more resilient to future flooding, 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.

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.

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 required.

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. This could include raised electrical sockets, tiled floors, air brick covers, flood resilient plaster and kitchens.

If this doesn't cost more than the cost of repairing your home to its pre-flood condition, your insurer won't charge you for these changes. If this does cost more than repairing your home to its pre-flood condition, you'll be responsible for paying the additional cost.

Many resistant or resilient features don't cost more than standard repairs. Ask your insurer if they're signed up to the Build Back Better (BBB) scheme which puts in place measures that will make your home more resistant or resilient to flooding in the future.

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.

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

Flood Re's Build Back Better Scheme (BBB)

Flood Re launched the "Build Back Better" scheme in April 2022. This permits home insurers to be able to offer customers access to property level flood resilience or resistance measures. This is work over and above what's required to repair damage caused by a flood. The funds of up to £10,000 can pay for the installation of flood resilience measures that will reduce the impact of future flooding. This could include but is not limited to raising electrical sockets and white goods away from floor level, installing self-closing air bricks and flood resistant doors. The reimbursement costs can also include carrying out surveys to understand the flood risk and potential mitigation. It's important to check if your insurer is signed up to the BBB scheme.

The participating insurers can be found at: floodre.co.uk/buildbackbetter

Step 5 *Continued*

Insurer best practice for offering cash settlements

You may prefer to accept a cash settlement which will mean you're 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'll 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. If unexpected additional damage is discovered during the repair process, your insurer will explain to you the process for re-engaging with them.

As an industry, insurers are committed to supporting customers who've been impacted by flooding, particularly those who are vulnerable. If you would prefer to accept a cash settlement, your insurer 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 make sure 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 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. 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's 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. You should make sure you understand how any flood resilient or resistant measures work for any future floods e.g. flood gates, air brick covers, etc.

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's important not to cut short essential parts of the process as this could lead to problems with your home in the future.

What if things *go wrong?*

Your insurer will do everything they can to ensure that your claim is handled as quickly and smoothly as possible. If you're 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're still unhappy at the end of your insurer's complaints procedure, you can complain to the Independent Financial Ombudsman Service on 0800 023 4567.

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 your 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*

The ABI

abi.org.uk

The Environment Agency

environment-agency.gov.uk

The National Flood Forum

nationalfloodforum.org.uk

Scottish Flood Forum

scottishfloodforum.org

Scottish Environment Protection Agency

sepa.org.uk/environment/water/flooding/

Natural Resources Wales

naturalresources.wales/flooding

Northern Ireland Direct

nidirect.gov.uk/articles/homeowner-flood-protection-grant-scheme

Department for Infrastructure

infrastructure-ni.gov.uk/topics/rivers-and-flooding

The Chartered Institute of Loss Adjusters

cila.co.uk/

Royal Institute of Chartered Surveyors

rics.org

Flood Guidance

floodguidance.co.uk

30 Fenchurch Street | London EC3M 3BD
T + 44 207 600 3333 | **E** info@abi.org.uk

abi.org.uk