



THE CHARTERED INSTITUTE
OF LOSS ADJUSTERS

The Chartered Institute of Loss Adjusters

IFAA Conference



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Floods 2007/ 2009

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- Immediately several month's claims received within a few days
- Government and ABI require additional data
- Considerable media interest



The ABI & CILA

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- The importance of sharing information
- Providing positive messages to the media
 - Loss Adjusters have been settling claims fairly for hundreds of years
 - Loss Adjusters are here to help
 - The rate of drying a property varies for a number of reasons



Gathering Data

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- Specific information was requested following the floods in 2007 and this included:
 - The number of properties affected
 - The number of families in alternative accommodation
 - The number of properties that were still not dried out
 - The number of properties where reconstruction work had commenced



The Authorities

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- Local Members of Parliament
- Government Ministers
- Local Councils
- Business Economic Regeneration Group (Cumbria)
- Carrying lessons learned forward



Operation Watermark

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- An exercise to test and review industry preparation in tandem with Government bodies
- Scenario based



Riots 2011

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- The main consideration is the recovery position
- The Institute's role was two fold:
 1. To update members with as much relevant information as was possible
 2. To promote the activities of the Institute's members
- The following slides provide examples of the information disseminated by the Institute on 25th August 2011 (Riots started 7th August 2011)



Scale & Locations

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- The ABI has estimated that insured losses amount to around £200,000,000 although this is not a definitive amount.
- Primary locations included:
 - London
 - Manchester
 - Salford
 - Liverpool
 - Nottingham
 - Birmingham
- Panorama BBC Television report

http://www.bbc.co.uk/iplayer/episode/b013xy9t/Panorama_The_August_Riots/



Policy Cover

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- Riot is often an insured peril, members must verify cover, conditions, warranties, underinsurance issues etc as in any other claim.
- Generally, the Policyholder is required to report losses within 7 (Seven) days to Insurers. Members should verify time limits and seek Insurers' instructions where limits are exceeded. Members also might like to make reference to the FOS News issue 95 <http://www.financial-ombudsman.org.uk/> which commented on time limits but unrelated to riot claims



There are two statutes and an amendment to consider:

- Public Order Act 1996 Section 1 - this defines Riot
- The Riot Damages Act 1886 - this provides the right to compensation both to the affected individual and to any party (including insurers) who have paid the affected persons funds to reduce the loss
- The Riot (Damages) (Amendment) Regulations 2011 and The Riot (Damages) (Amendment No. 2) Regulations 2011



Non Recoverable

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The Government provide the following advice for what is not covered by the compensation scheme:

- Property which is not a building or is not in a building - therefore someone robbed in the street during the riot may not be compensated
- Personal injury
- Consequential losses - The Government web site provides advice that Business Interruption claims are not recoverable - there is NO legal consensus on this view and the Institute will keep members informed



Recovery Process

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- So far the Government have concentrated efforts on those who are uninsured. Your Institute is aware that the process concerning insured losses is not clear and members can be assured that we continue to address this issue on your behalf
- **The ABI have asked their members to hold onto claims at this stage until the process is clarified**
- The Institute is in regular contact with those concerned and will keep members advised.



Uninsured Persons

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- The Government web site DirectGov provides the following information, amongst other things:
 - a. The law says that you may be able to claim compensation from your local police authority if you have suffered:
 - a. Damage, destruction or theft to houses, shops and other buildings or their contents.
 - a. You are not eligible for compensation from your police authority for:
 - a. Personal injury
 - b. Your vehicle being damaged or stolen during riot (unless the vehicle was inside a building affected by riots)
 - c. Trading at your business being affected by the riots



Process Uninsured

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The Government website states that if you are not insured:

1. You have 42 days to make a claim for compensation. These days are counted from the first day after the damage occurred.

2. For guidance (for those uninsured) telephone 0845 641 4925 or e-mail riotclaimsnotification@cl-uk.uk

3. The claim form may be downloaded from the Government web site and once completed sent to:

PO Box 26948, Glasgow, Scotland G2 9DP

Web site address www.direct.gov.uk



Questions

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