

TIMEFRAMES FOR CLAIM MANAGEMENT

Facts, information and advice for strata managers, lot owners and letting agents

When it comes to the length of time it takes to settle a claim, this is typically determined by the circumstances of the loss and the complexity of the claim. However, claims are subject to the terms and conditions of the General Insurance Code of Practice (GICoP).

Written in plain English, the Code sets out clear processes for making claims and complaints and the Insurance Council of Australia is responsible for making sure the content of the Code meets its objectives. Please ask us if you would like a copy of the Code.

All claims involve multiple parties and the timeline can be influenced by their participation and their ability to respond within reasonable and acceptable periods. While some of these parties aren't bound by the Code, insurers are still expected to monitor their external service providers to ensure they meet reasonable timeframes.

BCB subscribes to the Insurance Broking Code of Practice, but our commitment to our customers is to exceed the Code's expectations. When you have an insurance claim and we act on your behalf, we'll (unless we agree with you or tell you otherwise):

- help you lodge and progress the claim
- act in your best interests
- inform you as soon as possible about an insurer's response to a claim
- negotiate with insurers on your behalf in the event of a claim being disputed or rejected.

The following timeframes apply to claims that aren't for Catastrophic Events.

ACTION	STANDARD TIMEFRAME
BCB evaluates the claim and takes the first action (lodgement or refer back to the insured)	48 hours from receipt
New claim lodged with the insurer (when sufficient information provided)	48 hours from receipt
Send confirmation of receipt of claim to the customer, with contact details for the Claims Consultants and any request for more information	48 hours from receipt
Seek acknowledgement and instructions from insurer	72 hours from lodgement if not received earlier
Send insurer's instructions to customer	48 hours from receipt
Send status update request to insurer - non-adjusted claims	10 business days or as required**
Send status update to customer- non-adjusted claims	10 business days or as required**
Send status update request to insurer - adjusted or complex claims	20 business days or as required**
Send status update to customer- adjusted or complex claims	When received from insurer/adjuster
Send notice of claim settlement advice to customer	72 hours from receipt from insurer
Send status request to insurer - public liability, office bearers liability, legal defence expenses, fidelity guarantee	3 months unless earlier development advised or action required
Send status update to customer - public liability, office bearers liability, legal defence expenses, fidelity guarantee	3 months unless earlier development advised or action required
Response to claim enquiry (claim lodged)	72 hours
Response to general cover enquiries (no claim lodged)	5 business days

** As per the GICoP. However, review dates will be relative to the circumstances of each claim, which may increase or decrease the specified time to better suit the claim itself.



Catastrophes

Managing a Catastrophic Event depends on the individual circumstances of each property, its occupants, owner and location.

BCB strives to maintain the above timeframes during a Catastrophic Event, but due to the volume of claims typically received, it isn't always possible to achieve these. When we request a status update from insurers (or other parties), their response time depends on the severity and the priority level assigned to each claim, and where insurers (or other parties) take longer than usual to respond to queries, this is beyond our control.

Managing Catastrophic Events requires all parties to triage claims as they are lodged, with the most severe claims taking priority. To evaluate the priority given to a claim, BCB will ask you to complete a specialised claim form (Major Event Report Form) to help us determine the following.

- The severity of the damage
- Failure of necessary services (water, electricity, gas, sewerage)
- Access to the property
- Inhabitability of the property

Once the claim has been assigned a priority level, it's lodged with the insurer, with appropriate instructions for that level based on the Level of Urgency – Self Evaluation.

LEVEL OF URGENCY – SELF EVALUATION:

With "1" being minor damage and "5" being severe damage. Please select **one only** which best describes the damage situation of the strata scheme.

Please note, your response will affect our actions, so please consider whether you have correctly evaluated your level of urgency as resources may be limited.

1 Very Low to Low (minor): poses no threat or danger and will not worsen if left unrepaired. Carry out any necessary maintenance, then carry out the claimable repairs. Submit invoices, the Major Event Report Form and photos to substantiate the damage at a later date.

2 Low to Medium: poses no threat or danger but may worsen if left unrepaired. Carry out any necessary maintenance, then carry out minor repairs. Submit invoices, the Major Event Damage Report Form and photos. Obtain quotes for the Medium-level damage repairs, submit with the claim and await instructions from the insurer.

3 Medium: may worsen if left unrepaired. Obtain quotes, submit the Major Event Report Form and photos and wait for instructions from the insurer.

4 Medium to High: no failure of utility services but immediate attention and loss adjuster required. Submit photos of the damage to substantiate the severity, along with the Major Event Report Form and onsite contact details. Obtain quotes, if possible, but don't delay lodging the claim as the insurer may either engage a panel builder or provide further instructions.

5 Severe: immediate attention, loss adjuster required – severe damage, occupants displaced and/or failure of utility service(s). Submit photos of the damage to substantiate the severity where possible, including details of the number of units unfit for occupation, a description of the damage and what utility services may have failed, as well as the Major Event Report Form and onsite contact details.

Any other relevant information which may assist in evaluating the damage.

We encourage you to read the GICoP to understand the timeframes in place for insurers. These timeframes may affect our response time to your enquiries, but both the insurers and BCB aim to respond to you well within these guidelines.

The information provided is general. It does not constitute legal advice and should not be relied upon as legal advice. BCB recommends seeking advice from a qualified lawyer on any legal issues affecting you before acting on any legal matter. Whilst BCB endeavours to ensure the content of this information sheet is accurate, it does not represent or warrant its accuracy, adequacy or completeness and is not responsible for any loss suffered as a result of or in relation to the use of this information

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QUESTIONS?

Please contact your nearest BCB office for any queries or advice.

