

# HOUSE OF REPRESENTATIVES

## Standing Committee on Economics

### Flood insurance inquiry: Additional questions, March 2024

#### Additional data

20. Please complete this workbook of additional data requests, covering:
- a. Flood-related claims categories
  - b. Complaint numbers
  - c. Number and percentage of claims initially denied or partially denied
  - d. Complaints to IDR, and IDR decisions
  - e. Referral to the Australian Financial Complaints Authority (AFCA)
  - f. Decisions at AFCA
  - g. Main sources of disputes referred to AFCA
  - h. Claims-handling staff numbers
  - i. IDR staff numbers

*If you do not collect some/all of this data, please indicate why not.*

*If alternative relevant data is available, please provide this.*

*If there are particular caveats around data interpretation, please include these.*

**a: Flood insurance-related claims categories**

#	Total no. flood-related claims	% home and contents	% contents	% motor vehicle	% small business
1	51,516	68%	10%	18%	4%
2	21,027	42%	8%	38%	3%

**Data caveats (if any):**

*Line one represents all claim volumes within the inquiry terms of reference*

*Line two represents all claim volumes within the inquiry terms of reference with a subloss cause of 'Flood'*

*% home and contents - Includes claims for building damage only*

*% motor vehicle - Includes commercial motor claims*

*Data as at 28 March 2024*

**b: Complaint numbers**

Flood event	Total no. claims lodged	Total number complaints	% of claims for which complaints were lodged	% of total complaints that went to IDR	IDR cases as a % of total claims lodged
CAT 221	43,259	27,547	28%	10%	6%
SE 222	5,021	2,633	24%	10%	5%
CAT 223	2,895	1,927	27%	8%	6%
SE 224	341	154	22%	14%	7%
<b>Total</b>	<b>51,516</b>	<b>32,261</b>	<b>27%</b>	<b>10%</b>	<b>6%</b>

**Data caveats (if any):**

*The data presented in Part B of Suncorp's submission to the inquiry was for Home Claims only. The above includes Home, Motor and Commercial*

*For the purposes of this responses, references to "IDR" is considered to mean Escalated Complaints managed by Internal Customer Relations (ICR).*

*% of claims for which complaints were lodged is calculated by using the Number of individual claims with a complaint lodged, rather than total number of complaints as some claims have more than one complaint*

*Percentages are rounded to the nearest percent*

*Data as at 28 March 2024*

**c: Number and % of claims initially denied or partially denied**

Flood event	No. claims denied	No. claims <b>partially</b> denied	% of denied claims due to no flood cover	% of denied claims due to other policy exclusion
CAT 221	1,857	303	3.9%	96.1%
SE 222	385	44	1.3%	98.7%
CAT 223	170	13	2.4%	97.6%
SE 224	23	6	0.0%	100.0%
<b>Total</b>	2,435	366	3.3%	96.7%

Flood event	No. claims denied	No. claims <b>partially</b> denied	% of denied claims due to no flood cover	% of denied claims due to other policy exclusion
CAT 221	2,168	324	13.0%	87.0%
SE 222	407	44	2.2%	97.8%
CAT 223	187	13	9.6%	90.4%
SE 224	30	7	23.3%	76.7%
<b>Total</b>	2,792	388	11.3%	88.7%

**Data caveats (if any):**

*Table one represents all lines of business (Home, Motor and Commercial)*

*Table two represents Home Claims only*

*Motor insurance included in table one does not include a flood opt out option*

*Data used only includes finalised claims*

*Data as at 28 March 2024*

**d: Complaints to IDR, and IDR decisions**

Flood event	Total no. complaints handled	No. cases – insurer's decision upheld	No. cases resolved in <b>full</b> favour of policyholder.	No. cases resolved in <b>partial</b> favour of policyholder, whether in relation to claim or in the form of a financial or non-financial remedy	No. <b>unresolved</b> cases at IDR
CAT 221	2,650	1,819	573	252	6
SE 222	253	181	44	28	0
CAT 223	159	105	33	20	1
SE 224	22	14	4	4	0
<b>Total</b>	<b>3,084</b>	<b>2,119</b>	<b>654</b>	<b>304</b>	<b>7</b>

**Data caveats (if any):**

*For the purposes of this responses, references to "IDR" is considered to mean Escalated Complaints managed by Internal Customer Relations (ICR).*

*For the purposes of this response, references to "unresolved" is considered to mean open*

*Data as at 28 March 2024*

**e: Referral to AFCA**

Flood event	No. claims that went to AFCA	% of total claims referred to AFCA
CAT 221	766	2%
SE 222	63	1%
CAT 223	50	2%
SE 224	7	2%
<b>Total</b>	<b>886</b>	<b>2%</b>

**Data caveats (if any):**

*Number of claims that went to AFCA totals the individual claims, rather than total complaints lodged with AFCA - some claims may have more than one AFCA complaint lodged*

*Percentages are rounded to the nearest percent*

*Data as at 28 March 2024*

**f: Decisions at AFCA**

Flood event	No. cases – insurer's decision/handling upheld	No. cases – insurer's decision/handling <b>partially</b> upheld	No. cases – insurer's claim decision overturned/rejected in <b>full</b> favour of <b>policyholder</b>	No. of <b>unresolved</b> cases at AFCA	% cases to AFCA that were resolved <b>early*</b>
CAT 221	168	79	519	43	72%
SE 222	13	1	47	5	77%
CAT 223	8	4	32	7	89%
SE 224	3	0	3	1	43%
<b>Total</b>	<b>192</b>	<b>84</b>	<b>601</b>	<b>56</b>	<b>72%</b>

*\*AFCA cases resolved early = they did not require the appointment of an adjudicator, panel or ombudsman to make determinations*

**Data caveats (if any):**

% cases to AFCA that were resolved early is calculated by separating those which received an External Resolution with no Determination/Preliminary Assessment outcome (versus those which did have a Determination/Preliminary Assessment outcome).

Total decisions at AFCA is not equal to Referrals to AFCA, as that is based on total claims (some claims may have more than one AFCA complaints lodged).

Percentages are rounded to the nearest percent

Data as at 28 March 2024

**g: Main sources of disputes referred to AFCA**

	Issue	% of all complaints to AFCA
1	<b>Assessment Outcome</b> Scope of Work, Expert Report Disputed, Policy Limitation etc.	38%
2	<b>Decline</b> Wear and Tear, No insured event, Soil/Ground movement	23%
3	<b>Conduct</b> Claims Manager, Assessor, Repairer	13%
4	<b>Repairers or Suppliers</b> Delay in repairs, settlement issues, quality issues	10%
5	<b>Assessment Booking</b> Assessment or repair method, quote repair timeframe, quoted assessment date	4%

**Data caveats (if any):**

*Data as at 28 March 2024*



**h: Claims-handling staff numbers**

Year	Permanent FTE	Temporary FTE	Total claims lodged	Ratio of perm. FTE to claims	Ratio of total FTE to claims
2019	1,753	50	716,834	1:409	1:398
2020	1,917	140	669,606	1:349	1:326
2021	1,813	365	671,455	1:370	1:308
2022	1,690	1,096	744,249	1:440	1:267
2023	1,490	719	699,146	1:469	1:316
2024	-	-	-	-	-

**Data caveats (if any):**

*Data as at 31 December each calendar year - CY24 is unavailable*

*FTE and claim lodgement numbers include Home and Consumer Motor*

*Consumer Motor claims receive a significantly higher claim volume, but require less FTE to manage - This skews the ratio*

*For Home Claims, a claim that includes both building and contents is counted as 1 claim.*

**i: IDR staff numbers**

Year	Permanent FTE	Temporary FTE	Total cases (complaints) handled	Ratio of perm. FTE to complaints	Ratio of total FTE to complaints
2019	40.5	0	10,025	248	248
2020	36.1	3	11,230	311	287
2021	41.9	1	16,936	404	395
2022	44.9	10	24,817	553	452
2023	44.3	11	23,135	522	418
2024	46	8	5,263	114	97

**Data caveats (if any):**

*Includes IDR complaints handling staff only i.e. excluding support team Discovery & Oversight, ECR, OCA, PICR complaints team and Guardian Services Fee Remediation team*

*Permanent includes Permanent full time and Traditional Part time*

*Temporary FTE includes max term full time and flexible part time*

*Total complaints handled inclusive of flood complaints during period in question excluding Personal Injury complaints e.g. WC and CTP not in scope of flood coverage.*

*Ratios are rounded to whole numbers*

*Data as at 3rd April 2024*