

# 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*