

Queensland Flood Commission Enquiry

**RE - Insurance Companies**

04/04/2011

Attention: Commissioner – The Honourable Justice Catherine Holmes

Dear Commissioner,

My issue is with the insurance company RACQ.

We are insured with RACQ and three months after the date of the event we are yet to be given access to emergency accommodation that is provided in our policy. RACQ took 52 Days to confirm that we had a claim, until this date we were declined this item completely since then they have refused to provide us with details required to sign a lease for a rental home eg – how much for rent, term of lease etc. Because of their behaviour I do not wish for them to rebuild my property and wish to engage my own builder to do the work, because of this choice RACQ has decided that they would put the emergency accommodation payment into the settlement. This now holds us hostage to having to accept an unfair settlement to be able to house our family safely. RACQ has proven that they are not capable of providing correct assessments on our home, the scope of works provided by them fails to cover a number of issues that need to be rectified, in particular they have placed the laundry upstairs in a small nook between the bathroom and toilet and have neglected to put in the details of the actual laundry located in the downstairs area of the home, nor have they added the back door downstairs to the scope of works, they have sorted the screens downstairs but none for upstairs. There are many items missing from the scope of works. There are many discrepancies that we are questioning. Eg – the house was submerged and there is damage to the outside paintwork, they wish to wash the outside of the home only not repaint, there is no indication of re-establishing the termite barriers nor to provide any form of fungicide treatment, as we have the sewer pit in our yard and it overflows with flooding, all our belongings were contaminated and needed to be disposed of, the home also requires a special fungal treatment related to sewerage. There is no provision for smoke alarms etc. I am astounded that I am required to look through the scope of works to find what is missing, I am not a builder nor an assessor, I can only see the glaring obvious parts but what about all the other things they have left out? The document they wish us to sign is a full and final settlement, but with their lies and deception I find it hard to believe that everything is covered in that scope of works adequately. I am also disgusted that they put a confidentiality clause in our settlement offer, they have no right to demand that what they settle for is confidential. This is not a clause that is appropriate to have to accept a settlement. If they were paying above what is standard or a special consideration I would understand but not on a settlement that is less than what we are fully insured for.

I also have an issue with their pricing of work. I believe that I should be able to provide three reasonable quotes for the work and one of these is used. I should not be put at a disadvantage because they are global company and can purchase in bulk and receive the goods for a few dollars

less. They will only pay that amount because that is what they can get it for. I cannot get it for that price and this company has proven over and over again that it is unreliable and cannot be trusted and that they are unable to adequately repair our home,, why should I suffer anymore loss due to their incompetence.

RACQ have lied to me on several occasions regarding availability of reports, time frames etc. This company continues to keep my family in hardship our 10yr old child has been diagnosed with depression because he is forced to live in a tent in a damaged home with only the barest essentials. RACQ is fully informed that both myself and my son suffer from allergies – these are being exacerbated by the lack of clean areas, lack of showering facilities and the inability to prepare decent healthy food as there is no kitchen in our home.

Our reality is that we have been severely let down by our insurance company, we have taken all steps to speed this up, we have asked for internal, external and ombudsman enquiries but these companies are given ridiculous timeframes to respond in – the ombudsman gives the insurers 45 days to respond, when the application to the ombudsman is for emergency accommodation issues that is a ridiculous time period. We have made pleas in the media, I have emailed the CEO of RACQ. The reality for those in this position is that you have to sit and wait until the insurance company is good and ready to do what they want, if you are living in sub- standard uninhabitable premises then too bad. What is the point of paying for insurance if they refuse to actually provide you a service in a timely manner, my emergency started three months ago and we are still in the home as bad as it is.

I feel that there needs to be clearer definitions in the wording of the policies, I feel that if there is a valid claim that the insurers should honour that claim in a timely matter, I feel that they need to adhere to their own code of conduct that they subscribe to and that there be harsh penalties for them not doing so. Providing insurance is a gamble, some years you come out on top with no major claims or disasters but sometimes there are disasters and that is what we pay insurance for they choose to take our premiums on the basis that if we don't have an event happen they are on top and if we do have an event happen then they need to pay up. Leaving families in hell is not supposed to be an option for the insurers but it is one that they are taking.

In reality we have almost no rights when it comes to the insurance companies they have proven that over and over with their excuses and behaviour. Why do we have to seek legal advice in regards to our claims? How long will this take to get to a point that we are able to access other accommodation and start to rebuild our home? Why after 3 months are we still living in our water damaged property with no kitchen, Laundry or Bathroom – Why? This is cruel and unjust treatment of my family. Is there a way I can fix it – no I just have to wait until the insurance company sorts out what it is going to do. Thank you for reading my submission

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