

IMMEDIATE RELEASE: News/Features/Business

Post-Quake Survey: Delay, Demolish, Depression?

Volunteer group InsuranceWatch.org.nz is initiating another survey of post-quake Christchurch to see what progress has been made in the past year.

"We've been hearing over and over again that thousands of claims have been settled and Christchurch is getting back to normal – but all that happy news comes from the insurance companies and Gerry Brownlee's office. What's really happening?" asks David Stringer of InsuranceWatch.org.nz.

The survey is available at <http://tinyurl.com/IW2014> until mid-March and is open to all residential home-owners. The group is particularly keen to hear from people who have participated in earlier surveys and urges them to take a minute or two to fill out the online form.

A year ago, 80% of those surveyed by InsuranceWatch had experienced delays, and people on TC3 land or on the Port Hills were waiting in limbo. InsuranceWatch has plenty of anecdotal reports of people still lacking any detailed scope of works on their properties or a clear determination of whether they are repairs or rebuilds. The latter may be immaterial in any case, given the emphasis now being placed by EQC and insurers on paying people out.

"We know there's been a big push to get people to accept cash settlements. It's a quick out for EQC and the companies, and pushes all the work of rebuild or repair onto exhausted home-owners."

The InsuranceWatch team are particularly concerned about the vulnerable elderly, people with medical conditions and young families. Insurance companies promised in 2012 that these people would be given priority, and InsuranceWatch will be scrutinising the results of their survey to see if this has been the case. Anecdotal reports via support groups suggest there are many elderly people still waiting to hear what their future will bring; others are suffering from stress, anxiety and depression due to the uncertainty.

An InsuranceWatch statistician has been keeping an eye on the suburb of Mt Pleasant as a case study. In the detailed on-going survey area covering 1,635 house sites, some 400 or so have been identified as rebuilds. Of these, 197 have been demolished and only 16 in total actually rebuilt. Promises of completion of the total rebuild programme in the area within a year or two seem highly improbable.

Other issues that InsuranceWatch has been monitoring over the past year include:

* people being asked to vacate their properties for demolition and rebuild with nothing subsequently happening for 2-8 months – apart from accommodation allowances being used up

* insurance companies failing to respond to emails or requests for meetings to discuss disputes, and EQC actively tagging client files to avoid surveying complainants

* insurers falling well behind their predicted rebuild rates, and placing more emphasis on cash settlement

One company identified early on as being reasonably responsive and proactive was Lumleys, and they appear to still be doing well.

"It'll be interesting to see what the new survey will show about the different companies and their responses," says Stringer. Given that large numbers of people have told us previously they plan to shift companies once their claims are settled, we're hoping that IAG's takeover of Lumley won't affect the latter's reputation and response, which so far has seemed streets ahead of the other large companies."

InsuranceWatch recognises that many of the remaining cases are in dispute in some form – most commonly with EQC – and that resolving such disputes has been the cause of delays for many people.

"EQC seems pretty-much intractable, but we do know you can get some positive responses out of the private insurers. However, the advocacy community notes that you have to often go to the very top to get it, or have strong legal support."

FOR FURTHER INFORMATION

David Stringer, Spokesperson, InsuranceWatch.org.nz
Mobile: 021 625 030 Home: 376 6136

info@InsuranceWatch.org.nz

Insurance issues and survey: <http://InsuranceWatch.org.nz>

Press releases, resources: <http://InsuranceWatch.org.nz/ICNews>