

INSURANCE CLAIMS – DAMAGE TO PROPERTIES PROCEDURE

1.0 INTRODUCTION

- 1.1 This procedure describes our arrangements for identifying potential insurance claims resulting from damage to properties, and for submitting claims under our current insurance policy.
- 1.2 The procedure supports the Governance policy entitled '[Insurances](#)' and should be read in conjunction with the Finance procedure '[Insurance Claims](#)'.

2.0 IDENTIFYING AND REPORTING A CLAIM

- 2.1 Any damage to ARK property should be reported without delay to Maintenance staff.

Where the damage is serious and likely to result in an insurance claim, the Head of Property Management (HOPM) and/or Maintenance Officer (MO) will arrange to inspect the damage as quickly as possible, to identify any emergency repairs required and whether or not the damage is covered by our insurances, i.e. is the result of fire, flood, explosion, vandalism etc.

- 2.2 Where required, the HOPM will check with the Finance Manager or designated Management Accountant whether a particular type of damage is covered by our insurances.

It will also be important to identify whether or not the repair costs should be recharged to the tenant because of negligence or vandalism etc., or whether the damage was caused by a 'third party', for example a leak from a flat above damaging a tenant's ceiling.

- 2.3 Where the damage is covered by our insurances, the Maintenance Officer (MO) will notify our insurance agents of a pending claim. At the same time the MO will:
 - open a new folder under the property address in the Insurance Claims folder, for all correspondence etc. produced on the system.
- 2.4 Where emergency repairs are required, notification to our agents will initially be by phone, to confirm that repairs may go ahead. The MO will follow up the verbal notification by completing the agents Incident Report Form (Appendix 1). The form will be signed off by either the HOPM or Finance Manager prior to submission.

Where the work required is non-urgent, the MO will complete the Incident Report Form for signing and submission before arranging for any repairs to be carried out.

- 2.5 The insurance agents will advise whether:
- a Loss Adjuster (Assessor) needs to be involved in assessing the damage and likely costs of repair, before any works orders are issued, **or**
 - an Assessor will not be involved, but estimates or quotations should be obtained and submitted to the agents for approval before any work is carried out, **or**
 - repairs may be carried out without first obtaining estimates.
- 2.6 Where an Assessor is involved, the HOPM/MO as appropriate will obtain cost estimates or quotations. The MO will submit these to the Assessor for approval, before any work is carried out.

3.0 PROCESSING REPAIRS & FINALISING THE CLAIM

- 3.1 Following agreement that repairs may be carried out, the MO will open a new Buildings Insurance Claims Control Sheet to track the progress of the claim (Appendix 2 – filepath: *Maintenance\Maintenance Folder\year folder\Insurance Claims\Buildings Insurance Claims Control Sheet*).

The MO will update the Claims Control Sheet at each stage of the process.

- 3.2 When processing works orders on Capita the MO will ensure that the 'Insurance' field is selected and the Insurance expense code is allocated, so that the details may appear in relevant reports and Finance staff may allocate the costs to the appropriate expenditure heading.
- 3.3 Following satisfactory completion of the work, including the required post-inspection(s), and the payment of invoices in accordance with current authorisation procedures, the MO will submit copies of the initial estimates/quotes (where obtained) and of the final invoices to our insurance agents with a covering letter (Appendix 3). The MO will ensure that all submissions are identified with the relevant claim reference number.
- 3.4 Where estimates/quotes were obtained, and the final cost is higher than originally estimated, the contractor will have to provide a written explanation for the difference. This explanation will be included in the submission to our insurance agents.
- 3.5 Where an Assessor was involved in agreeing estimates, the final invoice(s) etc. will be sent to the Assessor for approval and passing on to our insurers for payment (Appendix 4).
- 3.6 If required, the MO/HOPM will respond to requests for additional information etc. from our agents, liaising with colleagues as appropriate, until a final settlement amount is agreed.

4.0 PAYMENT OF THE CLAIM

- 4.1 Payment of the agreed amount will normally be made by cheque with a covering letter from our insurers. The Finance Assistant will process the cheque in accordance with current income procedures, ensuring that the payment is coded correctly so that it can be allocated to the correct income heading in the accounts.
- 4.2 The Finance Assistant will pass a copy of the letter to the MO who will complete the Claims Control Sheet with the payment details. The MO will file the papers, correspondence etc. relating to the claim in the Insurance Claims folder held in the Maintenance Office.
- 4.3 All copy letters and any other documentation produced on the system will also be saved in the Insurance Claims folder under the relevant year and property address.

5.0 IMPLEMENTATION & REVIEW

- 5.1 The Head of Property Management is responsible for ensuring that this procedure is implemented when required.
- 5.2 The Head of Property Management will ensure that this procedure is reviewed at least every three years.

Version 3.0 Approved by SLT: Aug 2018

Review of procedure due by: May 2021

Complies with: Scottish Social Housing Charter

INCIDENT REPORT FORM

[Hard copy of procedure only]

BUILDINGS INSURANCE CLAIMS CONTROL SHEET

[Hard copy of procedure only]

SAMPLE

Ref:

Date

Name

Address

Address

Town

Postcode

Dear Salutation

Insurance Policy: [Policy Number]

Damage to Xxxxx Claim: ([Property Address])

Please find enclosed copies of the following relating to the above claim:

- initial estimate(s) *[Delete if not applicable]*
- final invoice(s) from – *[List contractor(s) and amount(s)]*
- explanation from the contractor for the difference between the initial estimate and final cost *[Delete if not applicable]*

Please can you process as a claim against ARK's Buildings Insurance Policy.

If you have any questions about the attached information, please contact me.

Yours sincerely

Name

Maintenance Officer

SAMPLE

Ref:

Date

Name

Address

Address

Town

Postcode

Dear Salutation

Insurance Policy: [Policy Number]

Damage to Xxxxx Claim: ([Property Address])

Please find enclosed copies of the following relating to the above claim:

- initial estimate(s) *[Delete if not applicable]*
- final invoice(s) from – *[List contractor(s) and amount(s)]*
- explanation from the contractor for the difference between the initial estimate and final cost *[Delete if not applicable]*

Please can you approve this amount and then forward to our insurers Willis, Claims Department, 285 Queen Street, Broughty Ferry, Dundee DD5 2HD as a claim against ARK's Buildings Insurance Policy.

If you have any questions about the attached information, please contact me.

Yours sincerely

Name

Maintenance Officer