

# Tips for protecting your home and your money





Having your property damaged by a natural disaster or accident can be a stressful and confronting time. If you are nearing retirement or retired such an event could be financially disastrous. This toolkit is designed to help you understand what you need to do, to ensure you are in the best position if things go wrong and support you if you need to make a claim\*.

\*This information is of a general nature. It doesn't take into account your individual objectives, financial situation or needs.



## 01. Make sure you have the right policy coverage in place

Every year, check the amount that your property and its contents are insured for. As the cost of living and inflation continues to increase, it impacts the cost of rebuilding or repairing your property and replacing your household items.

**To ensure you have the right cover in place, you should:**

- ✓ **Review the cost to rebuild your home:** [this calculator](#) will give you an estimate of the cost of rebuilding your home and will likely be more than the original cost.
- ✓ **Review the cost of replacing your contents:** [this calculator](#) will estimate the cost of replacing your household items and will likely be more than the original cost
- ✓ **Call your insurer:** Call your insurer to advise them of any changes required to your sum insured to update your policy.



## 02. Keep your home repaired and maintained

A home is more likely to require more frequent repairs and maintenance as it ages. Overlooking regular home maintenance may lead to problems with your property and could potentially affect future insurance claims. [Our home maintenance checklist](#) outlines things you can do on a regular basis to ensure your home is in good working order.



### 03. If you need to make a claim contact your insurer directly

If disaster or an accident strikes and you need to make a claim, it is important to contact your insurer directly. There are a number of scammers that may take advantage of you during your time of need. For example:

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- **Scam builders:** following a disaster some builders may offer to start repairing your property directly. They do not guarantee their work, and you may be responsible for inadequate repairs. You need to have contacted your insurer before you agree to get work started.
  - **Claims management companies:** some companies may offer to manage the claims process for you for a fee and asks you to sign contracts, which can include hidden fees and charges. There are reports of these companies misleading customers into thinking they are dealing directly with their insurance companies. These companies are more likely to request a cash settlement and take a commission from this settlement which can leave you without enough funds to cover the cost of the repair. It also leaves you in the position of having to manage the repairs yourself.
- Contacting your insurer directly ensures you get the full benefit of your policy. It also means you will be made aware of additional benefits such as:
- **Emergency Payments:** If you're in a situation where immediate funds are needed, like covering urgent costs related to the damage or accident, your insurance policy may provide emergency payments to help you out.
  - **Short-term Accommodation:** If your home is damaged and it's unsafe or uninhabitable, many policies cover the cost of emergency accommodation for a period of time.
  - **Support Services:** Insurance companies often have partnerships with other service providers, like legal or financial advice support. They may help connect you with the right professionals if needed.
  - **Making your property safe:** In most cases, your policy may cover the cost of removing debris or hazardous materials from your property after an incident (like a storm or accident), ensuring your safety and helping prevent further damage.





## 04. Protect yourself during the claims settlement process

You generally have the following options to settle a property or contents claim as per agreement with your insurer:

- 1. Cash settlement:** a cash payment made in line with the coverage in your policy to allow you to repair the property yourself and/or rebuy the contents you have lost. This is made directly into your bank account and means you are responsible for the next steps in the process.
- 2. Repair of the property:** your insurer will arrange and manage the repairs for you.
- 3. Replacement of the contents:** your insurer gives you vouchers or sources like for like items to replace the contents that has been damaged.

If you decide to take a cash settlement, it is important you ensure the money goes into your account, rather than someone else's, and you are prepared to arrange the repair process. On the other hand, you may benefit from the insurer's expertise if you elect for the insurer to manage these repairs on your behalf.

The benefits of your insurer managing your repair includes:

- 1. Guaranteed repairs:** if something goes wrong with the repair in the future, the insurance company can assist with fixing the issue, providing peace of mind.
- 2. Building standards (for homes):** insurers are required to meet building standards and codes. This helps ensure the repairs are done properly, and the work will pass any necessary inspections, reducing the risk of future problems.
- 3. Continued insurance coverage:** If the repairs are done through your insurer and meet all the necessary standards, it helps maintain your coverage. In some cases, if repairs are completed by builders not appointment by your insurance company, there is a possibility that they are not completed to building code standards which could impact your ability to renew your insurance policy or lead to coverage issues in the future.



## 05. What to do if you need help managing your claim?

It can be overwhelming managing a claim in the wake of a disaster or accident. Financial counsellors can help support you during the Claims process. You can find a financial counsellor in your local area through:

- **National Association of Community Legal Centres:** A not-for-profit, community organisation providing legal and related services to the public.
- **The National Debt hotline:** Financial counselling is a free, confidential service to help people in financial difficulty. To access, go to <https://clcs.org.au/legal-help/> or call [1800 007 007](tel:1800007007).

You can also speak to your insurer and ask for options they might have to support you during the process.



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