

Wooroloo Bushfire Coordinated Residential Clean Up Program: Insurance information

Understanding your insurance policy

There are two main types of insurance policies in respect to removal of debris costs and it is important to understand which applies to your policy. If you do not know how debris removal is covered by your policy, review your PDS or speak with your insurer. Each policy is different, and your insurer is best placed to advise on how the program relates to your circumstances.

Please note, the Government-funded clean up program may not include the removal of all debris on your property. If further clean up is required, and you wish to claim this under your policy, this may reduce the insurance settlement paid to you.

The two main types on policies are set out below.

Policy type 1: removal of debris costs included within your sum insured (and you suffered a total loss)

If your insurance policy includes debris removal costs in your sum insured (ie the amount you are insured for), and the cost to replace your property exceeds your sum insured, the cost of removing debris would normally be included within your insured amount.

However, if you have registered for the clean-up program, the Government's appointed contractor will be arranging the removal of debris at your property. In these circumstances, your insurer will not deduct any debris removal costs from your sum insured. This means the full amount of your insurance settlement is available for rebuilding your home. If your insurer incurs costs for removing debris on your property which wasn't removed by the clean-up program, this may be deducted from your insurance settlement.

Policy type 2: removal of debris is an additional benefit above your sum insured (and you suffered a total loss)

The second type of policy pays for debris removal costs as an additional benefit, usually up to an additional 10% or 20% of your sum insured (depending on your policy wording).

If you have registered for the clean-up program, your insurer will provide you with an additional payment for the costs it would have incurred to clean up your property, up to the limit of the additional benefit specified in your policy. This additional payment will be in addition to your sum insured. Your insurer may require a formal estimate to calculate the costs of the debris removal. If your insurer incurs costs for removing debris on your property which wasn't removed by the clean-up program, this may reduce the benefit passed on by the insurer.

Examples where debris removal is an additional benefit above the sum insured		
	House A	House B
Sum Insured	\$300,000	\$300,000
Debris removal additional benefit limit	ie. up to 10% of sum insured (\$30,000)	ie. up to 10% of sum insured (\$30,000)
Actual or estimated costs for removing debris on-site	\$15,000 (ie the cost of debris removal is less than the limit)	\$45,000 (ie the cost of debris removal exceeds the limit)
Additional Benefit your insurer will pass on to you	\$15,000	\$30,000

If you suffered a partial loss

If you suffered a partial loss and your insurance policy was not exhausted, speak with your insurer regarding how the clean-up program relates to your policy. In these circumstances, your insurer will pass on the reasonable debris removal cost it has avoided, subject to any limits within your policy.

Contact

Please contact your insurer directly if you have further questions relating to your insurance policy and the clean-up of your property.