

**From:** janice norris [mailto:janor\_1@yahoo.com]  
**Sent:** Wednesday, 8 February 2012 3:54 PM  
**To:** Flood Insurance  
**Subject:** Major increase in house insurance this year

While I am not fully conversant with all aspects of the Insurance review, I do agree that the term flood needs to be clarified and any other aspects of an insurance policy terms clarified and made universal. While people are lax in reading all the fine print in a policy, it doesn't give license to professional organizations to take advantage of ordinary people who just want a basic cover for a disaster or accident that will probably never take place and if it does, will probably wipe them out financially.

In our case, we have owned various properties, town and country, and have never claimed on our policy. We have always had an excess clause and any damage that has been sustained on very rare occasions, has come in below the excess.

Our current policy with the RACV has now risen by over 100% and any other quote I have obtained is much the same.

We are in the vicinity of areas that did experience flooding, some exacerbated by human error, and as we face the Campaspe River we naturally come within a flood overlay. This has obviously influenced the insurance review that has put any property in an area that experience flooding and also has an overlay as in the highest risk of making a flood insurance claim in the future. Hence the hike in the premium. However, what was never taken into account was the following:-

While facing a river, our block is on a sand hill and is one of the highest points in Echuca (the cemetery is close by) and, while we are surrounded by a flood plain, the majority of Echuca will be underwater before the water will reach our property. This was well researched through council, etc before we built as it was mandatory that our property should be above the 1870 flood (worst recorded). Therefore while the low bushland surrounding the sandhill on which our small community is built goes under, actual property is safe. However, the sealed road that is our entrance route to town, via the Port Area of Echuca, **does** go under in major flooding, yet Vic Roads proposes this as a main road to join up with a new bridge over the Murray.

It was obvious that insurance rates would increase due to all the major disasters and we were prepared to accept a reasonable increase, but 100% for a pensioner couple is a bit over the top.

There has been so much ad hoc development over recent years with different states operating under different criteria that it is time that there was an official survey map showing where flood waters actually do run when one or all surrounding rivers break their banks. Building development and levy banks have interfered with the natural flow of water and the ability to drain areas afterwards. At least insurance premiums could then be based on flood potential not a blanket overlay that only applies to part of that area.

One further point, my premium is now made up of 5/8ths paid for actual cover and 3/8th in government fees and taxes - meaning that nearly half the premium I am asked to pay has no relevance to the amount I actually pay to buy insurance. A bit steep I think or perhaps greedy would be a better word.

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