



10 REASONS

WHY INSURERS SHOULD NOT BE COMPLACENT FOLLOWING THE PRIVATE SEWERS TRANSFER:

On 1st October 2011, ownership of thousands of kilometres of private sewers and lateral drains transferred to the Water and Sewerage Companies (WaSCs) in England and Wales. This change has major implications for the insurance industry. Property Consortium Drainage Ltd (PCD) is abreast of these changes. We work solely in the insurance arena, assisting with advice, claims management, validations and repairs.

1. CONFUSION

Following the transfer there is confusion. Customers are unsure which sections of the drain and sewer system they are responsible for, how this relates to any defects they find, and who to contact. PCD are experts in understanding the complexities of ownership and resolution.

2. OWNERSHIP

WaSCs are not consistently recognising and accepting their ownership, and give no explanation of their decision. Correct or not, this decision is usually accepted. PCD challenge these decisions on behalf of insurers.

3. TARGETED INVESTIGATIONS

Some 3rd Party contractors are undertaking complete surveys and looking to 'find work'. PCD undertake targeted investigations.

4. ACCURATE REPORTING

3rd Party contractors are not always accurately reporting the location of defective areas, or identifying sharing parties. They undertake repairs and invoice the customer, when ownership is actually with the WaSC; resulting in a potential claim and unnecessary costs.

5. INCREASED CLAIMS

WaSCs are failing to consistently recognise and accept their ownership, advising customers to contact their insurers; resulting in increased claims.

6. FRAUDULENT CLAIMS

3rd Party contractors often start work immediately, thus removing the opportunity for investigation. This can lead to fraudulent claims. PCD has a proven and robust fraud screening process.

7. BLOCKAGES

Blockages in WaSC owned pipework, which are only cleared instead of being fully repaired, can result in secondary failures and further damage at properties. PCD can manage any building/contents claim through Group services to mitigate the loss. PCD support and manage the recovery process on behalf of insurers.

8. CONFLICT OF INTEREST

Suppliers who work for both insurers and WaSCs may have a conflict of interest, this can result in a reduced level of service to insurers. PCD only operate in the insurance market.

9. TRANSFER IMPACT

Confusion aside, the majority of claims submitted by customers are still found to be insurance related and not in WaSC ownership. PCD have considerable experience managing such claims, ensuring policy cover is correctly applied and reducing overall costs.

10. INCREASED INSURER SPEND

Claim spend will increase without the control provided by a specialist Claims Management company. PCD are best placed to manage the change in insurer type instructions and validate claims. Group services can further provide impartial building surveying and repairs.



We can help insurers, brokers and intermediaries maximise the benefit from the change in legislation.

Download our comprehensive White Paper guide which gives in-depth information on the transfer of private sewers and lateral drains at www.propertyconsortium.co.uk