


# strata update

 Summer Edition 2011

## Features

- › Happy New Year – message from Brad Robson, National Manager.
- › CTIQ Sponsorship
- › OHS Reports – How important are they?
- › Jodie Richardson
- › Wedding bells at SUU
- › SUU Supports Charities



## › Happy New Year – message from Brad Robson, National Manager

Well what a year 2010 was. SUU has been kept busy with the ongoing transfer of CGU's Strata business which required expansion on many fronts. Staff numbers have grown by 30% along with considerable expansion to systems and office accommodation to cater for our significant growth. As a wholly owned subsidiary of CGU Insurance, SUU is now clearly positioned as a centre of excellence for the distribution of strata insurance on a national front.

SUU's philosophy of "more than insurance" still stands at the forefront of our customer offering. In an industry where competition can easily be measured on price offerings we are committed to ensuring that customer service is given high priority. Testament to our customer service proposition is the loyalty and support received from the over 1000 strata management and insurance brokerages that continue to utilise SUU as a preferred supplier of strata insurance.



As a specialist in this field we have committed to ensuring that we meet the needs of our customer base. Our stand alone position as the only provider of strata insurance products in many remote parts of the country including areas in North Queensland and North Western Australia distinguish our specialist approach. 2010 was a challenging year in this regard as many Insurers ceased writing business in these areas. Increased Re-Insurance costs and weather predictions that the 2010/11 season will be the worst

story continues on page 2 ▶

“The ABS forecasts that within the next 25 years, strata titled apartments are likely to out-rate residential houses as the number one choice of housing in Australia.”

## Happy New Year – message from Brad Robson, National Manager

### ▶ story continues from page 1

for cyclones in some 40 years has put pressure on both pricing and the value proposition of participating within this market segment. SUU remains in this market in support of our commitment as a true specialist.

eQuote, SUU's online quote system is now utilised to provide over 90% of our quotes. The positive feedback received from users has been overwhelming and

we are pleased that this tool makes your lives just that little bit easier. Enhancements to eQuote released in November 2010 are just the start of many ongoing development projects to continue to maintain eQuote as your favourite on-line strata quote system.

During 2010 the SUU Business Development team participated at many industry events as either trade exhibitors at annual conventions or as presenters at industry specific courses. We sincerely hope that the entire team at SUU including our underwriting, claims and accounts staff have assisted to make your decision to deal with us the correct one.

2010 was another year impacted by natural disasters with the significant events of the Melbourne and Perth hailstorms. Regrettably 2011 is off to a tragic start with the catastrophic floods in QLD. The year in year out natural disasters that are occurring is resulting in upward pricing pressures to offset claims costs and rising re-insurance costs which impacts the entire insurance market. Unfortunately 2011 will see unavoidable premium

increases in certain segments to guarantee ongoing sustainability. Our underwriting teams will work closely with you to manage premium increases to the best of our ability.

Whilst many insurers who have participated in the strata insurance market have been and gone, SUU are pleased to have gone from strength to strength recently celebrating our 10th year of operation as a serious participant within this specialist market.

Our success is a result of the fantastic team within SUU, our unique product and service offerings and most of all the support received from our many customers. A big thank you goes out to you all and we look forward to assisting you and growing our mutual relationships throughout 2011.

Kindest Regards,



Brad Robson



The graphic features the Strata Unit Underwriters logo at the top right, the text 'eQuote' in a large font, and 'Experience the advantages' below it. A blue computer mouse is shown to the right. At the bottom, two bullet points are listed: '▶ Real time quotations' and '▶ Access to your quote history'.

## ▶ CTIQ Sponsorship

For the past 3 years SUU has enjoyed its association with the CTIQ as Platinum Sponsor alongside Macquarie Bank. This year sees a new platform of sponsorship arrangements offered by the CTIQ. SUU is proud to announce its Gold Sponsorship, the highest level of corporate sponsorship with the CTIQ in further support of the important role played by the CTIQ in the body corporate and community title industry.



## ➤ OHS Reports – How important are they?

OH&S Reports are very important from an Insurer's point of view. Often they identify hazards that if not addressed may lead to personal injury or property damage incidents.

Such hazards that may be identified may include:

- Missing hand rails on stairs.
- Poor lighting in common areas.
- Uneven surfaces on paths & driveways.
- Faulty electrical wiring.
- Inadequate or missing signage around pools.

As Owners Corporations/Bodies Corporate (OC) have a legal obligation of "duty of care" to persons or property within their common areas, failure to attend to hazards may well lead to the OC being liable in the event of an incident.

While generally the Insurers will respond under their policies to either defend the OC or indemnify them if it is deemed they are liable, there can always be an exception to the rule, especially if the Insurer is not notified of a hazard identified within an OH&S report that may have been obtained from the OC.

It is possible that an identified hazard may affect an Insurer's decision as to whether or not to offer insurance or it may result in a variation of the standard terms of coverage being offered to the OC. In the event a claim arises which results from the identified hazard, but the insurer had not previously been notified of the hazard, then it may be considered to be a non-disclosure to the insurer which may result in the claim being denied.

Further, if the Strata Manager has received notification of hazards via receipt of an OH&S report and has failed to notify these issues to the insurer and/or has not acted upon an OC's instruction to attend to the issues then the Strata Manager may also have some liability in respect to an incident due to professional negligence.

*e.g. A claim is lodged for a "slip & fall" incident as a direct result from an identified hazard within the common area. Not only is the Insurer not informed of the OH&S report which identified the hazard, the Strata Manager fails to act on instructions taken at an AGM to attend to the hazard rectification.*

*As per the old "Scatter Gun" approach, the legal representation acting for the plaintiff joins the Strata Manager in their action by apportioning them to 40% of the blame due to their failure to attend to the hazard. The insurer declines to extend any indemnity to the insured due to their failure to provide notification of the hazard which is considered a non-disclosure.*

No doubt you can see how important the communication of these OH&S reports can be.

### **The moral of this story**

Send any OH&S reports to your insurer no matter how trivial you may consider any identified issues to be and request confirmation from them as to whether or not they have any issues or concerns!



## ➤ Congratulations

Jodie Richardson, Assistant Underwriter with SUU Brisbane was the recipient of the ANZIIF Highest Achieving Module Award for Serving the Customer. The award was presented by Jenny Bax, the Australian and New Zealand Institute of Insurance and Finance QLD Branch President at the Institutes 2010 annual luncheon.

Jodie consistently produces outstanding business results and is a valued member of the SUU team which is focused on differentiation by its customer service value propositions.

Congratulations Jodie on such a fantastic achievement.

Strata Unit Underwriting Agency Pty Ltd  
T/As Strata Unit Underwriters

5/263 Alfred Street North Sydney NSW 2060

1/45 Sanders Street Upper Mt Gravatt QLD 4122

T 1300 668 066 F 1300 668 166

info@suu.com.au www.suu.com.au

ABN 30 089 201 534 AFS Licence No: 246719

more than insurance

## ? Key fact

Number of dispute applications received by Consumer, Trade and Tenancy Tribunal, Tenancy Division for 2009-2010

1496

This is a 10% increase from 2008-2009

### Wedding Bells at SUU

The bells have been ringing at SUU. Congratulations to Anthony Padjan from our Sydney Commercial Underwriting team, Esther Kerner Sydney Receptionist and Scot France, Senior Underwriter QLD in tying the knot.

Picture: Esther & Jonathan



### SUU Supports Charities

Once again staff had a BBQ for Bordies Day to support Surf Life Saving Australia. Funds raised will help provide our lifesavers with equipment and training to save lives! SUU also sponsor the Surf Life Saving Boat (IRB) at Long Reef SLSC.



This newsletter is prepared for the benefit of our clients. It is not designed as a substitute for legal or financial advice, and is not intended to be a definitive analysis of insurance products, services or issues. Professional advice should be sought before any course of action is pursued.