

Plenary 6

Actuaries
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Safer Homes and Affordable Insurance



Presented at the 2024 All Actuaries Summit

Panel

Andrew Hall – CEO, Insurance
Council of Australia

Jake Ellwood – CEO, Queensland
Reconstruction Authority

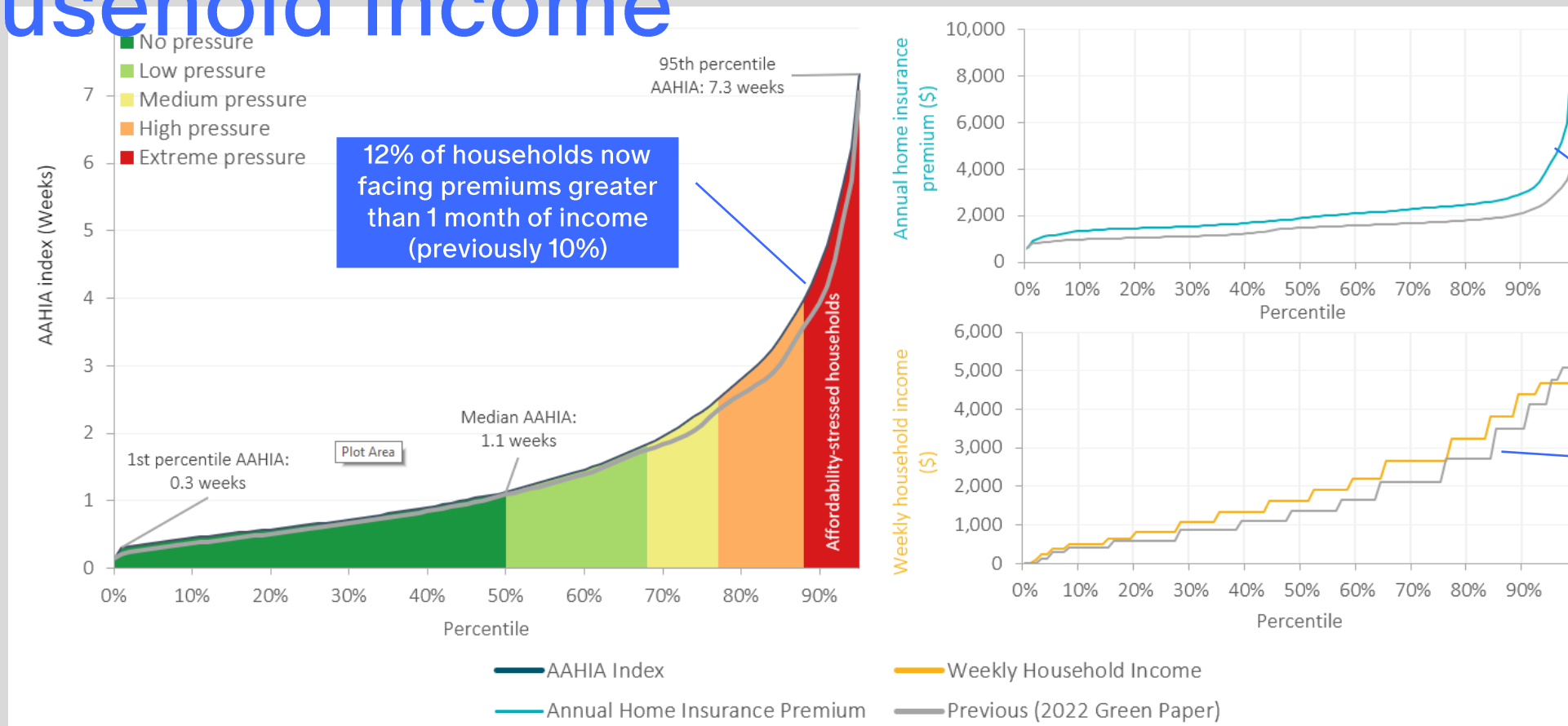
Matt Collins – CEO, Planning
Institute

Jane Kern – Head of Impact
Management, Bank Australia



The Problem

One in eight households face insurance greater than one month's household income










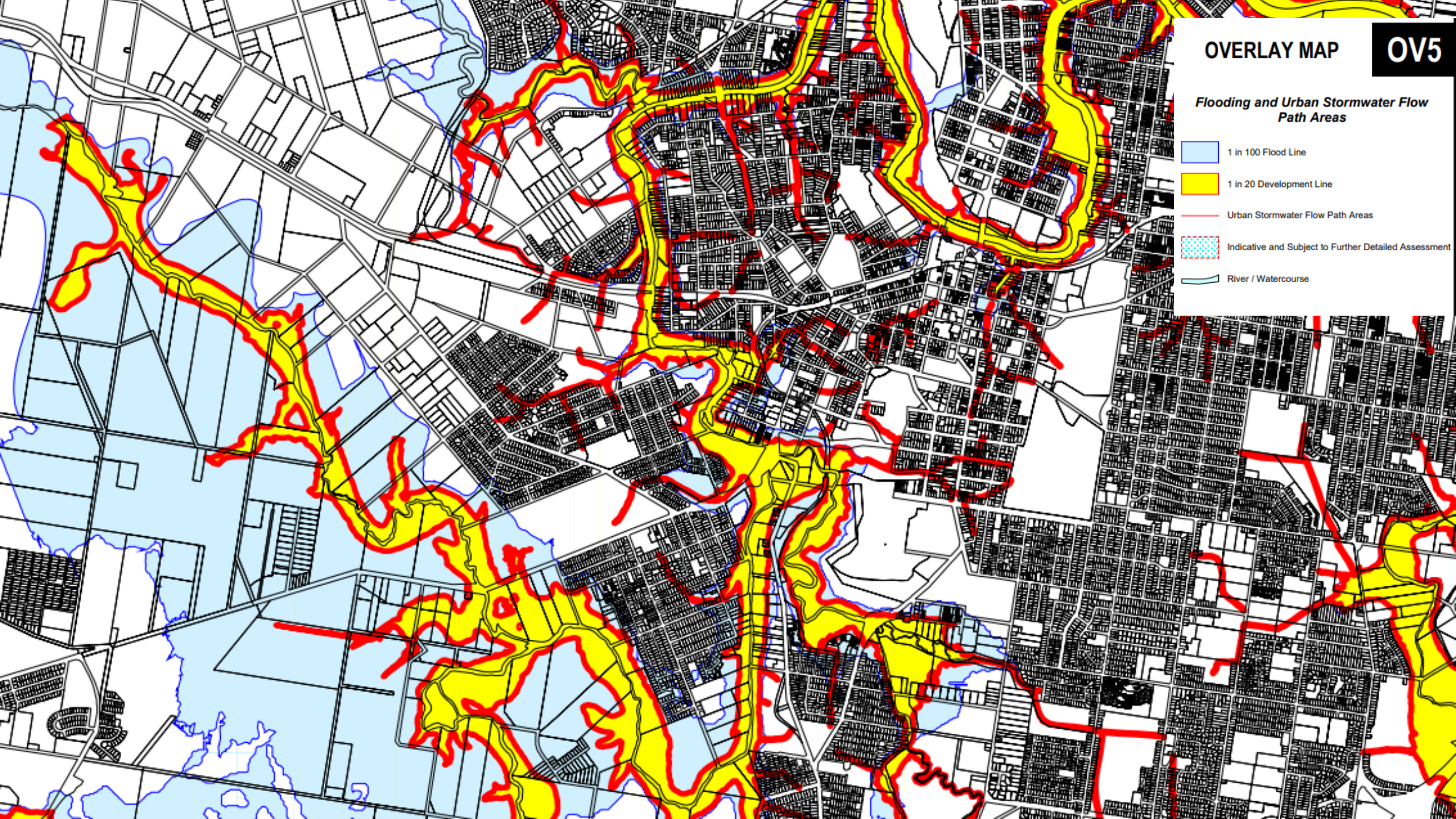


OVERLAY MAP

OV5

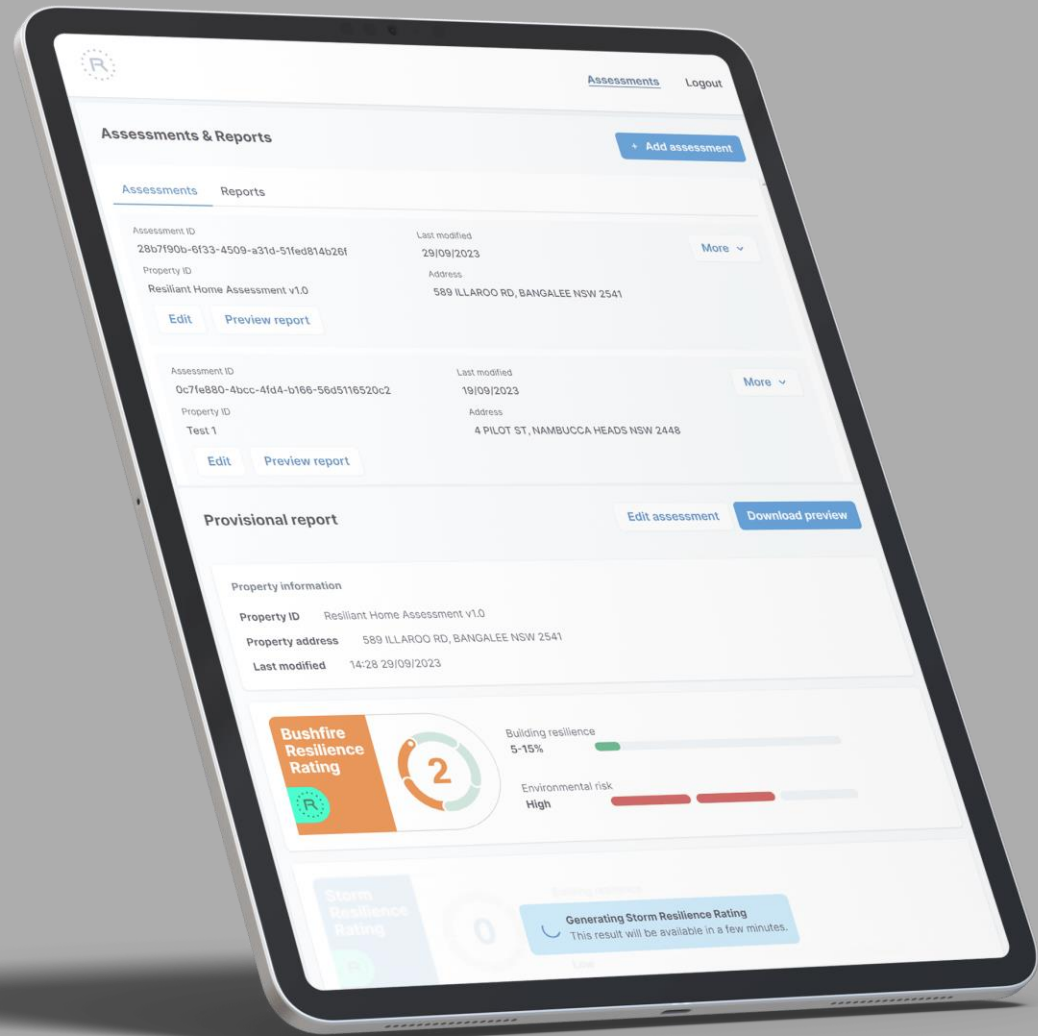
Flooding and Urban Stormwater Flow Path Areas

-  1 in 100 Flood Line
-  1 in 20 Development Line
-  Urban Stormwater Flow Path Areas
-  Indicative and Subject to Further Detailed Assessment
-  River / Watercourse





The Solution



QRA Case Study

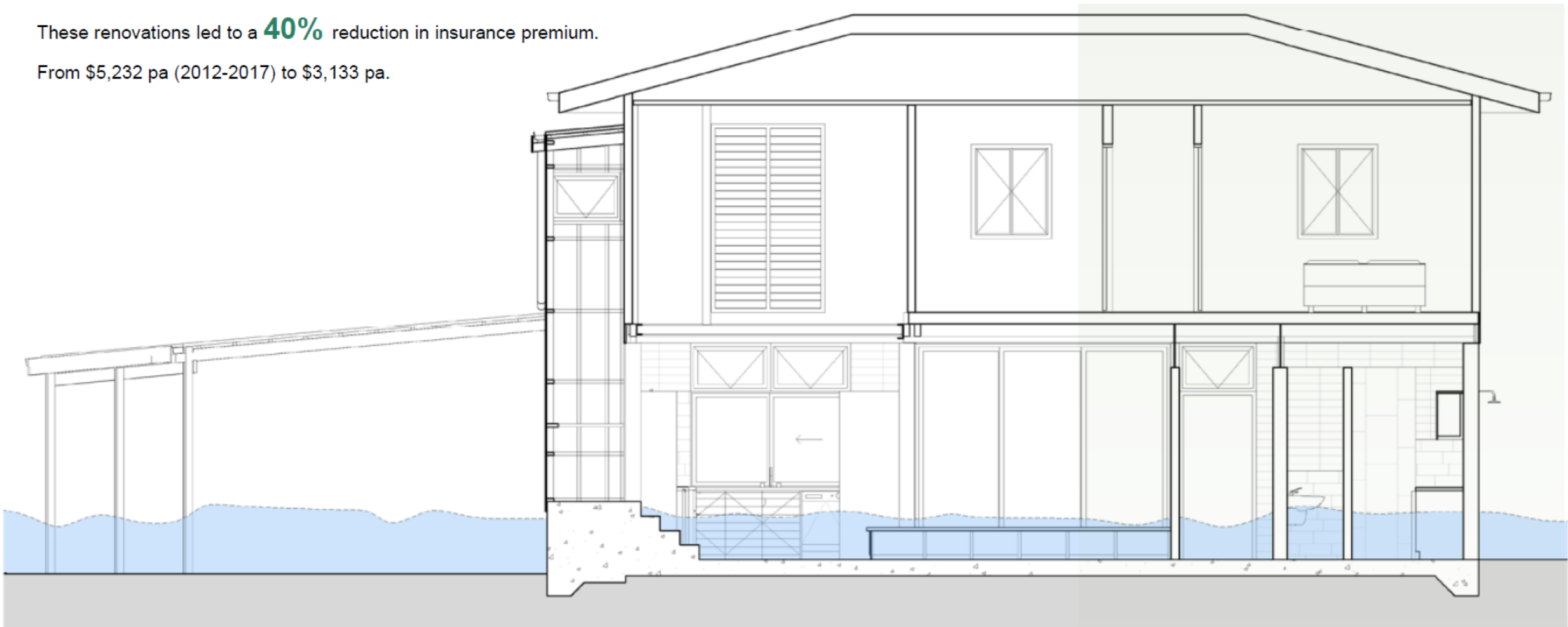
In 2011, a Gracehill home was flooded 5m above ground level.

The home was raised approximately 3m, positioning the floor level above a 1% Annual Exceedance Probability Event.

Flood-resilient design principles and materials were incorporated into the lower level

These renovations led to a **40%** reduction in insurance premium.

From \$5,232 pa (2012-2017) to \$3,133 pa.





Legend

Brisbane River flood planning area 1

Brisbane River flood planning area 2a

Brisbane River flood planning area 2b

Brisbane River flood planning area 3

Brisbane River flood planning area 4

Brisbane River flood planning area 5

Local Government Authorities

LGA boundary

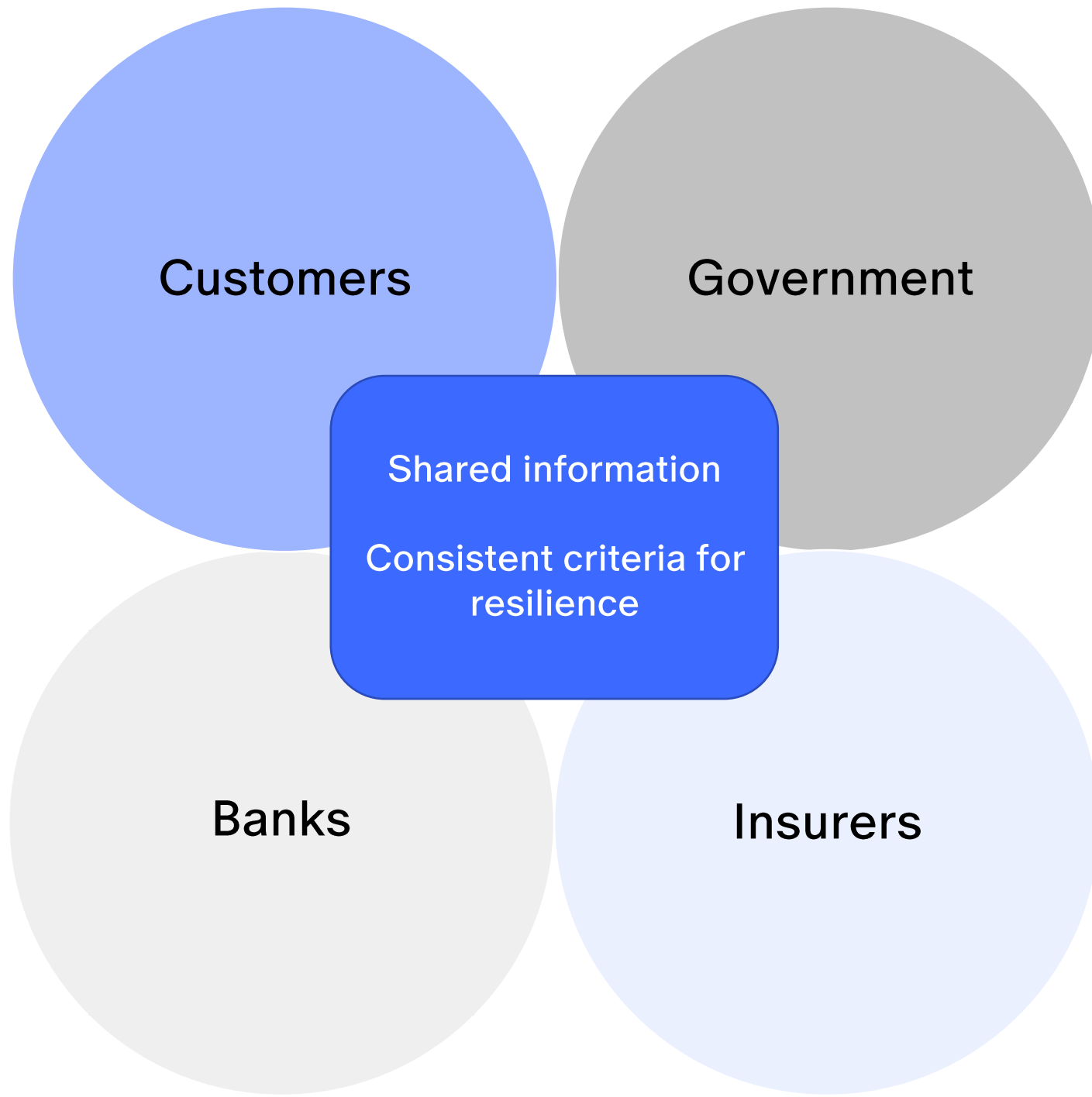
Property boundaries holding

Property Holding

Flood Planning Area	Description	What does the code mean for development?
1	FPA1 Flooding is very likely and/or there may be very deep and/or very fast moving water.	Any new development would be subject to the highest development assessment requirements. This area is generally best suited to environmental and recreation uses.
2	FPA2 Flooding is likely and there may be deep and/or fast moving water.	New development may be subject to additional development requirements to address flood impacts - such as being high-set with specialised stronger building design.
3	FPA3 Flooding is likely and there may be deep and/or moderate-fast moving water.	New development may be built in this area but may need modifications such as houses being built on stumps.
4	FPA4 Flooding is likely and there may be shallow and/or slow moving water.	New development that can mitigate flood impacts with slight building modifications may be allowed to be built in this area - such as meeting minimum floor heights.
5	FPA5 There is no recent history of flooding but there is potential for flooding.	No flood overlay code requirements apply to houses. New development such as essential community services like hospitals may be built in this area - by meeting minimum floor heights.
Local Overland Flow	Water may rise quickly and move with speed but will recede quickly	Minimum standards for floor heights apply to houses. Other development will be designed to not increase flooding impacts on neighbouring properties.

An aerial photograph of a section of the Brisbane River and surrounding urban areas. The river flows from the top left towards the bottom right. The land is divided into five flood planning areas, each color-coded: Area 1 (dark blue), Area 2a (medium blue), Area 2b (teal), Area 3 (green), Area 4 (light green), and Area 5 (light blue). Several streets are labeled, including Lang Parade, Kingsford Street, Bunmore Terrace, Coronation Drive, Teatua Milton Ferry, Riverside Drive, Buchanan Street, Anthony Street, Donkin Street, Montague Road, Hockings Street, Bank Street, Jane Street, Scott Street, Ashington Street, and Mollison Street. A red dashed line outlines a specific property or area within the flood planning zones.

Solution





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Thank you

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