

Property Insights

How to minimise your risk exposure



What is property insurance?



Covers material damage and business interruption losses.



Involves loss or damage from various causes, e.g. fire, explosion, vandalism, weather perils, earthquake, theft or accidental damage.

Did you know?



Claims (next 5 years)

>4%

Projected rise in global property insurance claims.

Source: Global Data

Key findings and observations



Quick facts (VMIA claims data)

Claims due to water/storm damage

\$23m in property damage claims excluding claims from natural catastrophes (in the last 10 years)

26% of major property damage claims (in the last 20 years)

Claims due to fire damage and electrical/equipment failures

\$18m in property damage claims excluding claims from natural catastrophes (in the last 10 years)

23% of major property claims are due to fire damage (in the last 20 years)

19% of major property damage claims are due to equipment failure (in the last 20 years)

> Risks to infrastructure are high due to water/storm damage and electrical failures.

> Certain sectors, especially those related to emergency services, face a relatively high risk of fire damage and malicious harm.

Insights into incidents and insurance premiums



Typical incidents

- Natural events such as bushfires, rainstorms, landslides and floods.
- Leaking water and burst pipes.



Factors influencing insurance premiums

- Claims inflation due to rising building costs.
- Volatile investment returns.



VMIA's pricing and premium allocation

- Value for money (51% below commercial markets on average).
- Stable (priced to meet costs, not for profits).
- Sustainable (long-term view of risks).
- Equitable (premiums based on Victorian risk profile).

Recommended interventions

What you can do to manage risks



Upgrade and maintain ageing infrastructure.



Enhance security measures to prevent malicious damage.



Notify us of your claims as soon as practicable to reduce cost increases due to inflation.



If damage is caused by a 3rd party, get their contact, vehicle and driver's license details for potential recovery.



For hospitals, explore opportunities to reduce physical property claims, especially those related to burst pipes and electrical equipment failures.

This includes understanding hospital contents and assets, such as specialised medical equipment, and ensuring appropriate risk management, insurance coverage and ongoing maintenance.

Claims Reduction Advisory

How we can help

Who we are

We're a trusted partner and a multi-disciplinary team delivering insights and advice to help clients make informed decisions on their claims reduction actions.

Why we're here

We inform and enable our clients to act to reduce their cost of insurable risk. We help clients minimise their insurable risk, reduce claims and prevent harm.

What we offer

We develop and deliver tailored insights to help clients understand their unique context and claims experience. We identify opportunities for improvement to help clients reduce their frequency of claims and minimise losses.

Why we're different

We provide claims reduction insights based on client-specific and global data and information.

How we work

We collaborate with internal and external partners to deliver client-centric insights and innovative solutions. We build client awareness of the importance of risk management strategies and accurate asset registers.