



INSURERS PAY OVER €220M IN CLAIMS FROM DECEMBER 2010 FREEZE

€765 MILLION PAID OUT FOR WEATHER DAMAGE IN 14 MONTHS

Tuesday, 12th April 2011: The Irish Insurance Federation (IIF) today announced that €224m has been paid to home and business owners as a result of the freeze that affected the country during December 2010. This was the third severe weather event to affect the country during a fourteen-month period, which saw the insurance industry inject over €¾ bn back into the Irish economy.

During the severe freeze, which affected the entire country last December, insurers dealt with almost 30,000 claims relating to damage to homes and businesses caused by burst pipes. Household claims cost €173.1m, while commercial claims amounted to €50.6m. The worst affected counties were Cork (€32.4m), Galway (€24.7m) and Dublin (€20.2m) (Full provincial and county breakdown below in notes to editor).

Mike Kemp, Chief Executive, IIF said, “The scale of damage caused by the December freeze should not be underestimated and the subsequent quick response from insurers assisted many homeowners and businesses in getting back on their feet as fast as possible. Severe weather events such as these have been very rare events in the past in Ireland. To have had the three largest weather-related losses in our history in such close succession has put pressure on the market, but insurers have repeatedly displayed their resilience and as a result have injected three-quarters of a billion euro back into the Irish economy in a fourteen-month period. To put the extent of this payout in context, the cost for severe weather events for the past ten years before the November 2009 floods amounted to €358m., or less than half the cost of the three most recent events.”

Although the freezing weather affected the whole country, some areas were disproportionately affected. Munster accounts for 28% of the population but accounted for approximately 40% of the claims cost, and Leinster accounts for 54% of the population but only accounted for 32% of the claims cost. The cost of claims in Connacht/Ulster was 28% of the total but accounts for only 18% of the population.

Some counties were particularly badly affected in relation to their population. The top five worst affected counties in terms of cost per thousand people in each county is as follows:

Rank	County	Gross Cost of Claims Incurred	Population	Cost per 1000 people
1	Limerick	€ 19.923m	184,055	€108,245
2	Galway	€ 24.674m	231,670	€106,505
3	Kerry	€ 14.266m	139,835	€102,020
4	Clare	€ 10.573m	110,950	€ 95,295
5	Cavan	€ 5.036m	64,003	€ 78,684

The bottom three counties affected were: (full list below in notes to editors)

24	Wexford	€ 3.840m	131,749	€ 29,146
25	Wicklow	€ 2.748m	126,194	€ 21,776
26	Dublin	€ 20.228m	1,187,176	€ 17,039

Although the freezing weather conditions might seem like a distant memory, the IIF is urging people to review their home and business situations in advance of next winter by taking precautions such as ensuring tanks in the attic are properly lagged and that exposed pipes are insulated. During a freeze the following advice should be followed:

- In the event of a pipe bursting, turn off the mains water supply. Make sure you know where the water mains supply valve is located.
- Make sure that all overflow pipes, on water cisterns for instance, are adequate and can discharge freely to the drain system.
- Keep your home well heated to avoid burst pipes. If you are away, leave the heating on low and open the attic door to let heat circulate if you are away from home.
- For further information see www.iif.ie/consumerinformation

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Notes to Editors:

1. Cost of December 2010 Freeze By Class

Class	No of Claims	Cost of Claims
Household	24,992	€173.1m
Commercial property	4,656	€50.6m
Total	29,648	€223.7m

2. Cost of Previous Weather Events

Year	Event	Cost
December 2010	Freeze	€224m
January 2010	Freeze	€297m
November 2009	Flood	€244m
January 2009	Storm	€16m
January 2009	Freeze	€40m
August 2008	Flood	€96m
October 2004	Flood	€38m
November 2002	Flood	€50m
February 2002	Flood	€37m
December 2001	Freeze	€30m
November 2000	Flood	€1m

3. Burst Pipes Statistics – Claims Cost (household and commercial property) Per 1000 People By Province

Rank	Province	Gross Cost of Claims Incurred €m	Population	Cost per 1000 people €
1	Connacht/Ulster	€ 61.870m	771,385	€ 80,206
2	Munster	€ 90.246m	1,173,340	€ 76,914
3	Leinster	€ 71.599m	2,295,123	€ 31,196
TOTAL		€223.716m	4,239,848	€52,765

