



sedgwick®

Subsidence watch

Issue 1 | May 2020



CONTENTS	
INTRODUCTION	1
WEATHER ANOMALIES BY REGION	
– MONTHLY MAX TEMP	2
– MONTHLY MEAN TEMP	3
– MONTHLY RAINFALL	4
– MONTHLY SUNSHINE	5
MOISTURE DEFICITS AND RAINFALL	6
RAINFALL	7
GROUNDWATER RECORDS	9

www.sedgwick.com/uk

Introduction

Welcome to Subsidence Watch 2020. This year we are aiming to issue a monthly edition, to keep our clients fully briefed on developments as they evolve throughout the season. As we have seen over the past year, meteorological conditions are difficult to predict and only a few months ago as an industry we were dealing with localised flooding in many parts of the country. As the dry weather appears to continue for now, our focus has shifted to predicting the volume of potential subsidence claims that may occur. Any surge or upturn in volumes this year will depend on a period of dry and warm weather through the months of June to September. We appear to be set for a very dry and warm June and we will continue to monitor how the position unfolds, as well as compare with the data of previous surge events such as 2003, 2006 and more recently 2018.

We look forward to sharing with you our industry insight and analysis to help your business be prepared.

COVID-19 impact and challenges

COVID-19 has impacted all our daily lives and there is continued uncertainty as we try to adapt the way we live and work. Innovation has become the new norm and in Sedgwick we have successfully implemented changes to our claims processes, utilising both new and existing technologies to engage with customers, suppliers and clients alike. The challenges we face are being turned into opportunities for positive change and improving how we approach the claims process.

Over the last couple of months subsidence claim volumes have reduced by 40%; however, since the easing of restrictions in England, volumes have gradually started to increase and we expect this to continue. We don't expect these claims to have gone away and anticipate these to be received over the next few months, adding to the summer volumes. As existing clients know, we are well experienced in undertaking initial visits using video technology with over 10,000 claims completed in this way. This experience has

allowed us to successfully undertake 94% of our initial visits during the lockdown period using our video SightCall technology, which has received excellent customer feedback.

The summer of 2019 saw the second highest number of new subsidence claims since 2014, with the ABI reporting 19,500 domestic claims during the year, a more balanced year than 2018 with 8,000 in first half, followed by 11,500. Compared to 2018, which saw 17,500 claims in the second half alone. Although 2019 overall claim volumes were lower than 2018, the work in progress volumes within the industry remained at a high level resulting in another busy year. From the Sedgwick perspective, we made excellent progress in closing claims with nearly 90% of surge cases closed or in repair.

Looking back over the last two months, spring has been drier, sunnier and warmer than average so far. The beginning of March continued the unsettled winter weather; however, this was short lived with rainfall being notably below average. Temperatures for March were around average at 0.1°C above the long-term average, whilst April was above average by 1.7°C, making it the fifth warmest April since 1884. Overall the UK had 82% of average rainfall in March with April being much drier with an average of 40%, which is the 8th driest since 1862. Sunshine totals for the UK overall were 134% in March and 151% in April.

Looking ahead into June, the beginning of this period should be fairly settled with some outbreaks of rain mostly confined to the north west of the UK. Generally June is predicted to be fine, dry and calm weather. Temperatures are expected to be above average for the country, especially southern areas, which have a chance of being very hot at times. *(Met Office update: 22 May 2020)*

Current soil moisture deficits, with the exceptionally wet winter the soil rehydrated significantly with the MORECS value falling to zero (the lowest possible recording). Over the last nine weeks the change in weather has seen the readings climb to the same levels that were

experienced this week in 2006. However in 2019, 2017, 2012 and 2011 the MORECS values were greater than this year's and claim volumes remained low during the preceding summer. In contrast, 1998 and 2003 had similar MORECS values and subsequently saw high volumes. An increase in claim volumes can occur as early as July.

Likelihood of a 2020 subsidence surge.

Most surge claims relate to clay shrinkage caused by nearby vegetation, this is why the weather in the summer months of July and August are so key in determining likely claim volumes. There are two key factors, low rainfall and high temperatures. Currently the meteorological experts are predicting a warmer than average summer, but slightly wetter. If rainfall ends up being above average, then a surge will be unlikely. With the recent climb in moisture deficit and good weather forecast for at least the next 10 days, the possibility of a surge in 2020 exists, with claim volumes potential increasing from July.

How well placed are Sedgwick to respond to another surge event?

As ever, we are ready, with greater resource levels: we have over 150 colleagues within our dedicated subsidence team now, compared to 48 in 2018. In addition we have over 50 surge assistance colleagues from our wider business, who have already been trained and gained experience from 2018. Many lessons have also been learnt from 2018 and new approaches developed putting us in a strong position to support our clients.

For further information about our predictions or our range of subsidence services, please contact:

Kevin Williams
Head of Subsidence

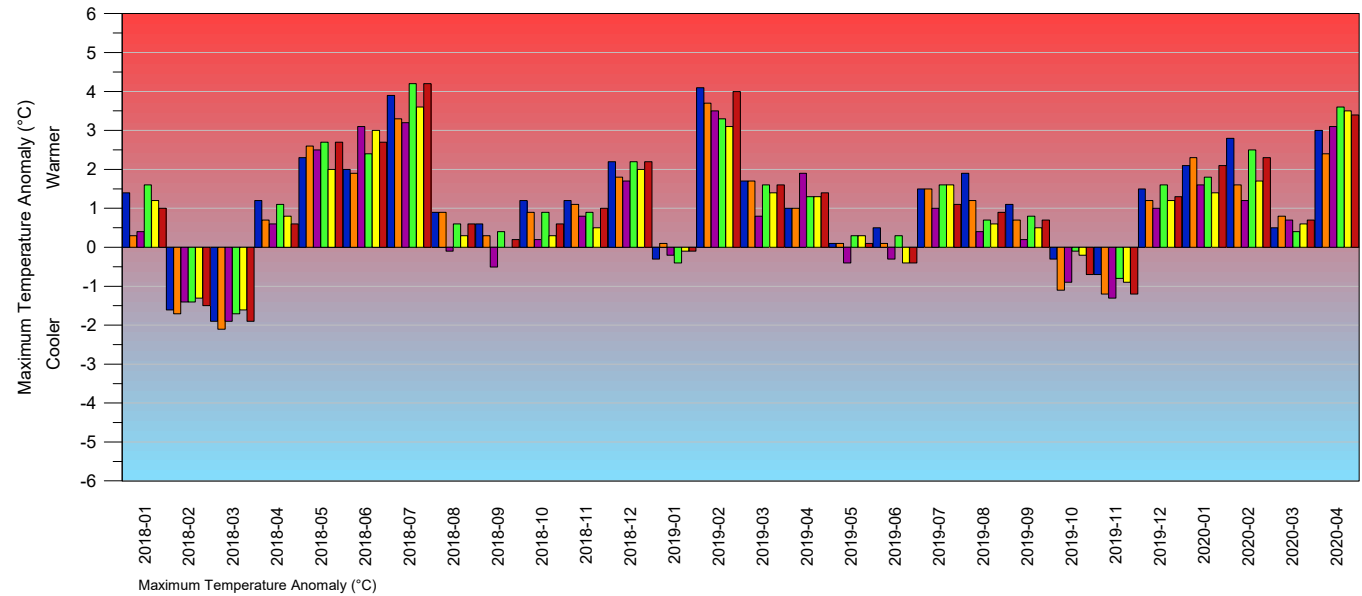


T +44 7880 780255
E kevin.williams@uk.sedgwick.com

Weather anomalies



Monthly maximum temperature anomaly by region

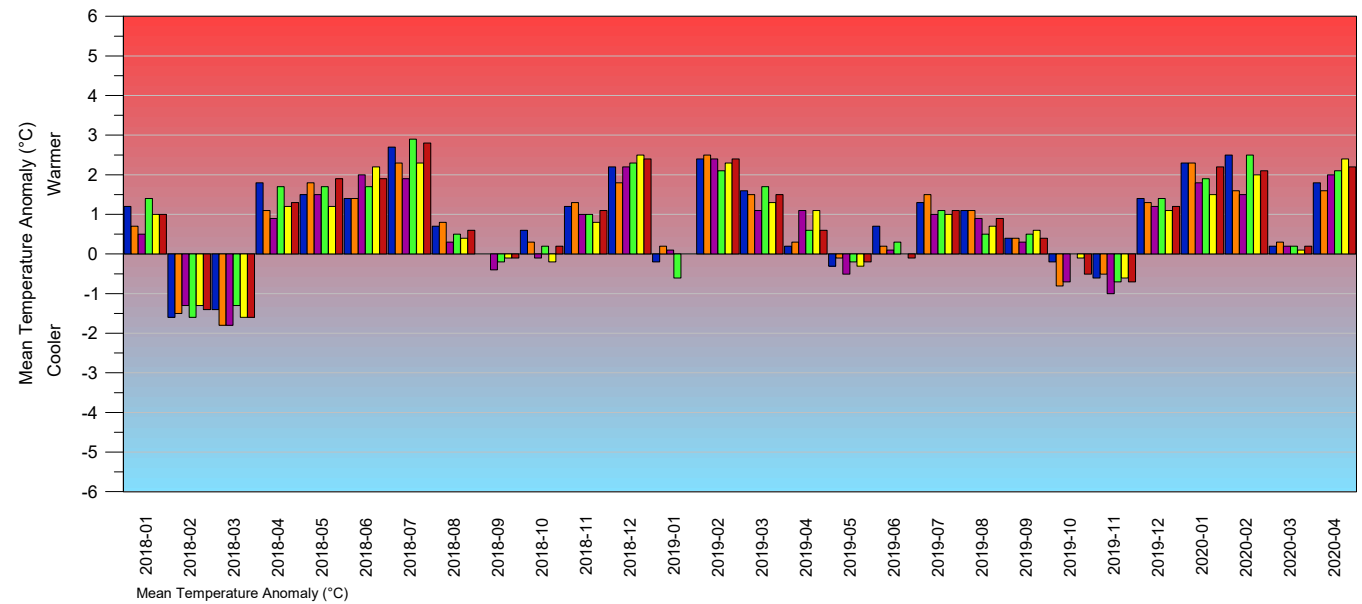


	2018-01	2018-02	2018-03	2018-04	2018-05	2018-06	2018-07	2018-08	2018-09	2018-10	2018-11	2018-12	2019-01	2019-02	2019-03	2019-04	2019-05	2019-06	2019-07	2019-08	2019-09	2019-10	2019-11	2019-12	2020-01	2020-02	2020-03	2020-04
East Anglia	1.4	-1.6	-1.9	1.2	2.3	2.0	3.9	0.9	0.6	1.2	1.2	2.2	-0.3	4.1	1.7	1.0	0.1	0.5	1.5	1.9	1.1	-0.3	-0.7	1.5	2.1	2.8	0.5	3.0
England E + NE	0.3	-1.7	-2.1	0.7	2.6	1.9	3.3	0.9	0.3	0.9	1.1	1.8	0.1	3.7	1.7	1.0	0.1	0.1	1.5	1.2	0.7	-1.1	-1.2	1.2	2.3	1.6	0.8	2.4
England NW + N Wales	0.4	-1.4	-1.9	0.6	2.5	3.1	3.2	-0.1	-0.5	0.2	0.8	1.7	-0.2	3.5	0.8	1.9	-0.4	-0.3	1.0	0.4	0.2	-0.9	-1.3	1.0	1.6	1.2	0.7	3.1
England SE/Central S	1.6	-1.4	-1.7	1.1	2.7	2.4	4.2	0.6	0.4	0.9	0.9	2.2	-0.4	3.3	1.6	1.3	0.3	0.3	1.6	0.7	0.8	-0.1	-0.8	1.6	1.8	2.5	0.4	3.6
England SW + S Wales	1.2	-1.3	-1.6	0.8	2.0	3.0	3.6	0.3	0.0	0.3	0.5	2.0	-0.1	3.1	1.4	1.3	0.3	-0.4	1.6	0.6	0.5	-0.2	-0.9	1.2	1.4	1.7	0.6	3.5
Midlands	1.0	-1.5	-1.9	0.6	2.7	2.7	4.2	0.6	0.2	0.6	1.0	2.2	-0.1	4.0	1.6	1.4	0.1	-0.4	1.1	0.9	0.7	-0.7	-1.2	1.3	2.1	2.3	0.7	3.4

Weather anomalies



Monthly mean temperature Anomaly by region

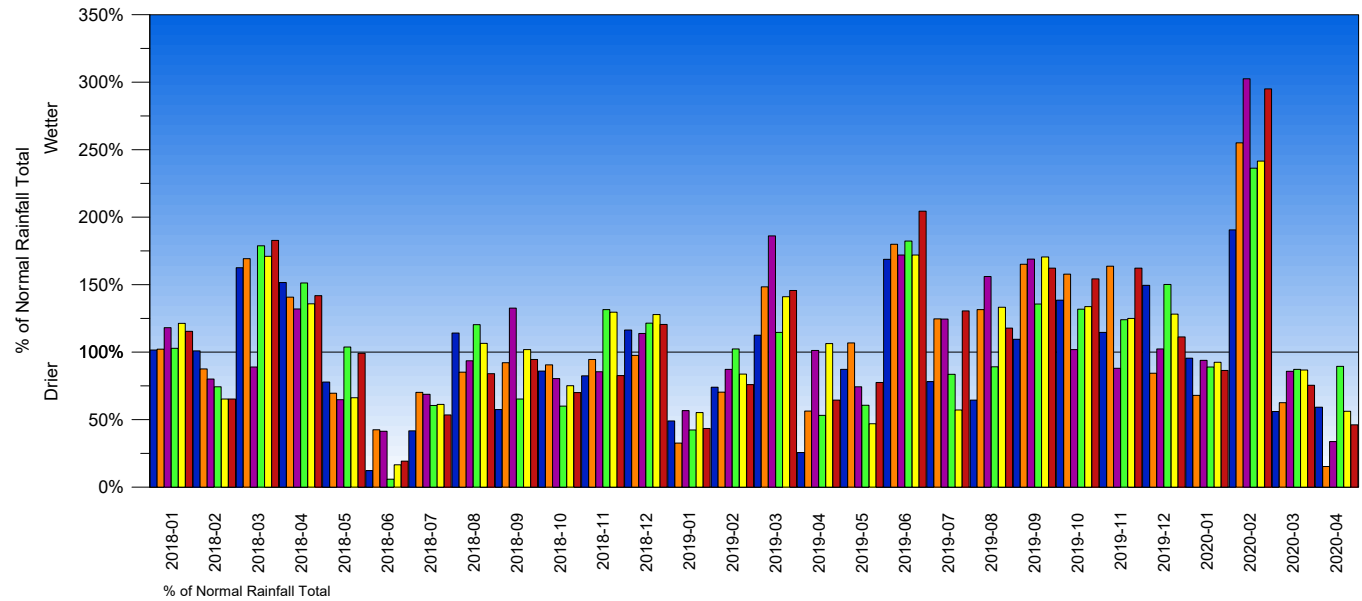


	2018-01	2018-02	2018-03	2018-04	2018-05	2018-06	2018-07	2018-08	2018-09	2018-10	2018-11	2018-12	2019-01	2019-02	2019-03	2019-04	2019-05	2019-06	2019-07	2019-08	2019-09	2019-10	2019-11	2019-12	2020-01	2020-02	2020-03	2020-04
East Anglia	1.2	-1.6	-1.4	1.8	1.5	1.4	2.7	0.7	0.0	0.6	1.2	2.2	-0.2	2.4	1.6	0.2	-0.3	0.7	1.3	1.1	0.4	-0.2	-0.6	1.4	2.3	2.5	0.2	1.8
England E + NE	0.7	-1.5	-1.8	1.1	1.8	1.4	2.3	0.8	0.0	0.3	1.3	1.8	0.2	2.5	1.5	0.3	-0.1	0.2	1.5	1.1	0.4	-0.8	-0.5	1.3	2.3	1.6	0.3	1.6
England NW + N Wales	0.5	-1.3	-1.8	0.9	1.5	2.0	1.9	0.3	-0.4	-0.1	1.0	2.2	0.1	2.4	1.1	1.1	-0.5	0.1	1.0	0.9	0.3	-0.7	-1.0	1.2	1.8	1.5	0.2	2.0
England SE/Central S	1.4	-1.6	-1.3	1.7	1.7	1.7	2.9	0.5	-0.2	0.2	1.0	2.3	-0.6	2.1	1.7	0.6	-0.2	0.3	1.1	0.5	0.5	0.0	-0.7	1.4	1.9	2.5	0.2	2.1
England SW + S Wales	1.0	-1.3	-1.6	1.2	1.2	2.2	2.3	0.4	-0.1	-0.2	0.8	2.5	0.0	2.3	1.3	1.1	-0.3	0.0	1.0	0.7	0.6	-0.1	-0.6	1.1	1.5	2.0	0.1	2.4
Midlands	1.0	-1.4	-1.6	1.3	1.9	1.9	2.8	0.6	-0.1	0.2	1.1	2.4	0.0	2.4	1.5	0.6	-0.2	-0.1	1.1	0.9	0.4	-0.5	-0.7	1.2	2.2	2.1	0.2	2.2

Weather anomalies



Monthly rainfall Anomaly by region

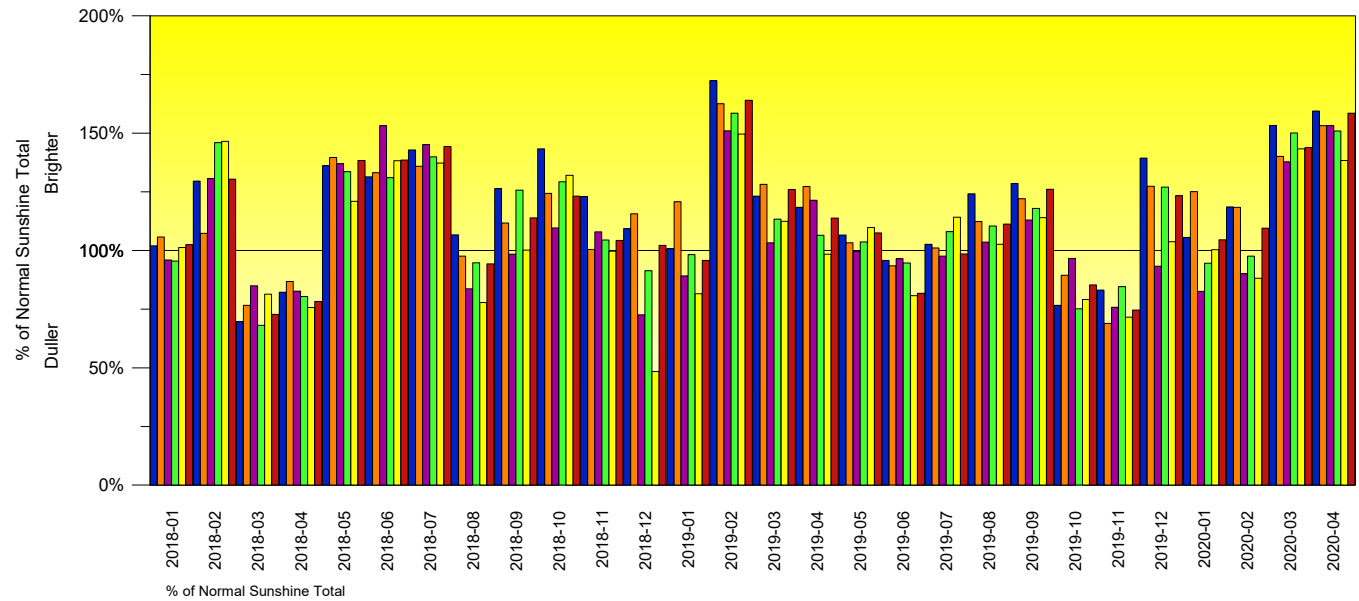


	2018-01	2018-02	2018-03	2018-04	2018-05	2018-06	2018-07	2018-08	2018-09	2018-10	2018-11	2018-12	2019-01	2019-02	2019-03	2019-04	2019-05	2019-06	2019-07	2019-08	2019-09	2019-10	2019-11	2019-12	2020-01	2020-02	2020-03	2020-04
■ East Anglia	102%	101%	163%	152%	78%	12%	42%	114%	58%	86%	83%	117%	49%	74%	113%	26%	87%	169%	78%	65%	110%	139%	115%	150%	96%	191%	56%	59%
■ England E + NE	102%	88%	169%	141%	70%	43%	70%	85%	92%	91%	95%	98%	33%	70%	149%	56%	107%	180%	125%	132%	165%	158%	164%	85%	68%	255%	63%	15%
■ England NW + N Wales	118%	80%	89%	132%	65%	42%	69%	94%	133%	81%	86%	114%	57%	87%	186%	101%	74%	172%	125%	156%	169%	102%	88%	102%	94%	303%	86%	34%
■ England SE/Central S	103%	74%	179%	151%	104%	6%	61%	121%	65%	60%	132%	122%	43%	102%	115%	53%	61%	182%	84%	89%	136%	132%	124%	150%	89%	236%	87%	90%
■ England SW + S Wales	121%	65%	171%	136%	66%	17%	61%	107%	102%	75%	130%	128%	55%	84%	141%	107%	47%	172%	57%	133%	171%	134%	125%	128%	93%	242%	87%	56%
■ Midlands	116%	65%	183%	142%	99%	19%	54%	84%	95%	70%	83%	121%	44%	76%	146%	65%	78%	205%	131%	118%	162%	154%	162%	111%	87%	295%	76%	46%

Weather anomalies

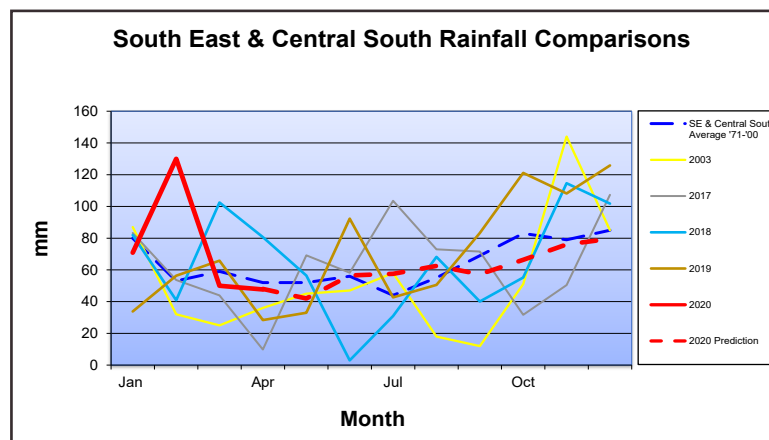
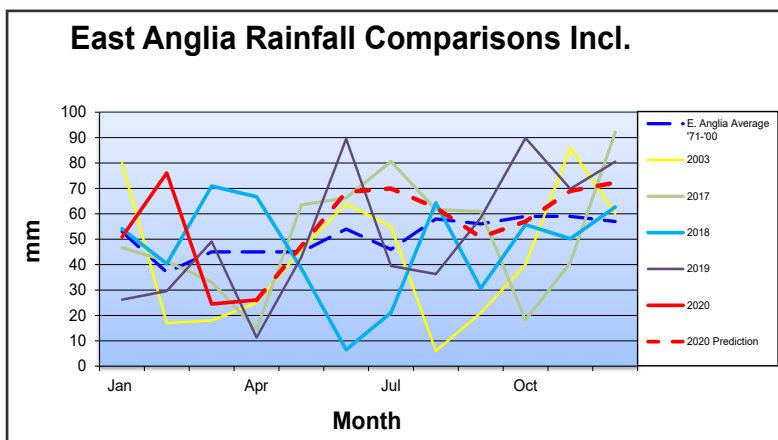
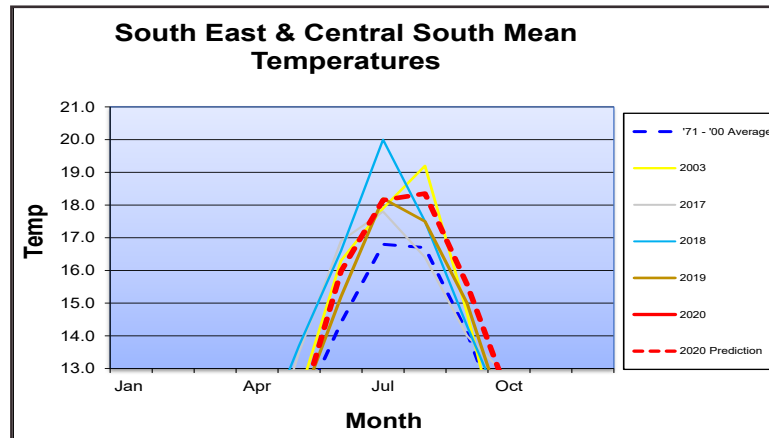
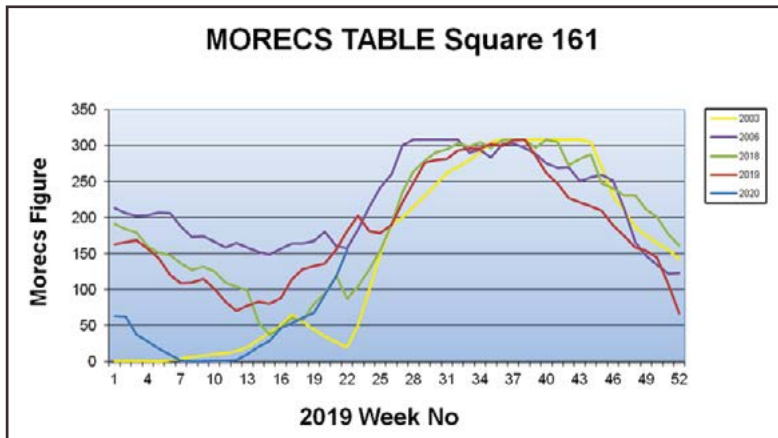


Monthly sunshine Anomaly by region



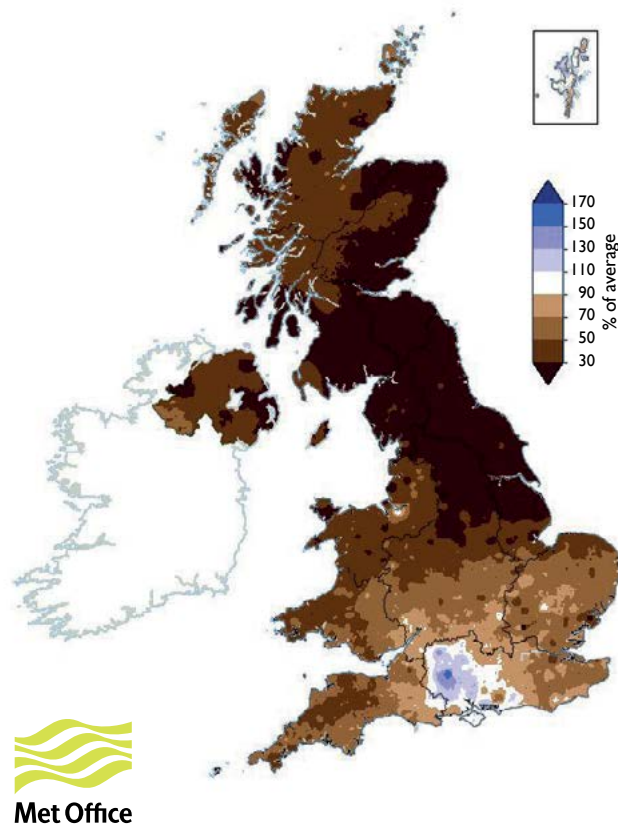
	2018-01	2018-02	2018-03	2018-04	2018-05	2018-06	2018-07	2018-08	2018-09	2018-10	2018-11	2018-12	2019-01	2019-02	2019-03	2019-04	2019-05	2019-06	2019-07	2019-08	2019-09	2019-10	2019-11	2019-12	2020-01	2020-02	2020-03	2020-04
■ East Anglia	102%	130%	70%	82%	136%	131%	143%	107%	126%	143%	123%	109%	101%	172%	123%	118%	107%	96%	103%	124%	129%	77%	83%	139%	106%	119%	153%	160%
■ England E + NE	106%	107%	77%	87%	140%	133%	136%	98%	112%	124%	100%	116%	121%	163%	128%	127%	103%	94%	101%	112%	122%	90%	69%	127%	125%	118%	140%	153%
■ England NW + N Wales	96%	131%	85%	83%	137%	153%	145%	84%	98%	110%	108%	73%	89%	151%	103%	121%	100%	97%	98%	104%	113%	97%	76%	93%	83%	90%	138%	153%
■ England SE/Central S	96%	146%	68%	80%	134%	131%	140%	95%	126%	129%	105%	91%	98%	159%	113%	107%	104%	95%	108%	110%	118%	75%	85%	127%	95%	98%	150%	151%
■ England SW + S Wales	101%	147%	81%	76%	121%	138%	137%	78%	100%	132%	100%	48%	82%	150%	113%	98%	110%	81%	114%	103%	114%	79%	72%	104%	100%	88%	143%	138%
■ Midlands	102%	130%	73%	78%	138%	139%	144%	94%	114%	123%	104%	102%	96%	164%	126%	114%	108%	82%	99%	111%	126%	85%	75%	123%	105%	110%	144%	159%

Moisture deficits and rainfall

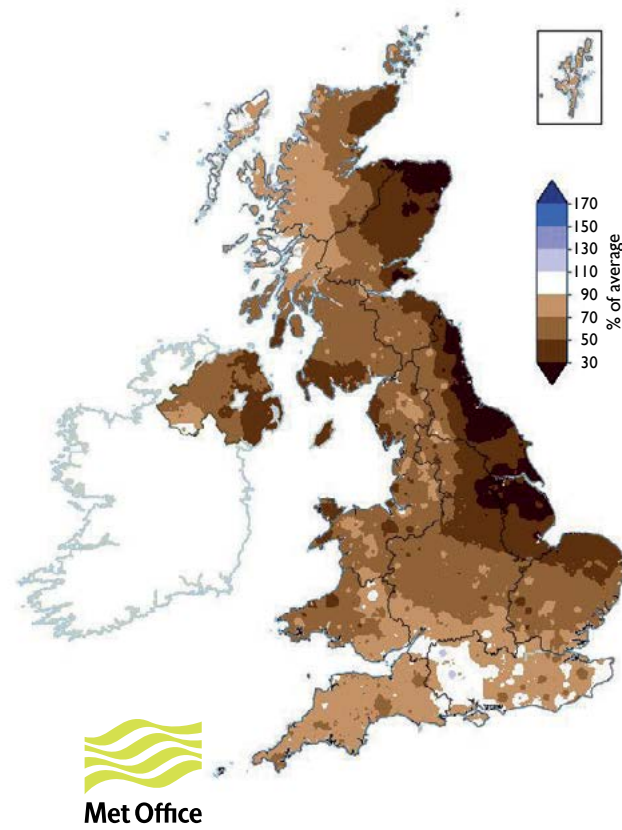


Rainfall

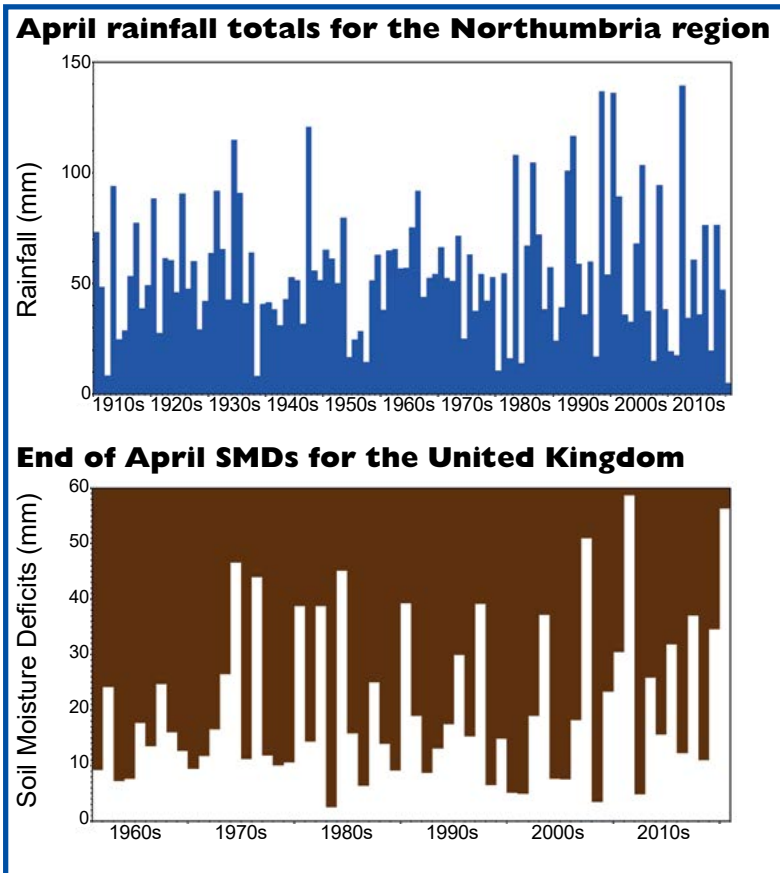
**April 2020 rainfall
as % of 1981-2010 average**



**March 2020 - April 2020 rainfall
as % of 1981-2010 average**



Rainfall



Hydrological Outlook UK

The Hydrological Outlook provides an insight into future hydrological conditions across the UK. Specifically it describes likely trajectories for river flows and groundwater levels on a monthly basis, with particular focus on the next three months.

The complete version of the Hydrological Outlook UK can be found at: www.hydoutuk.net/latest-outlook/

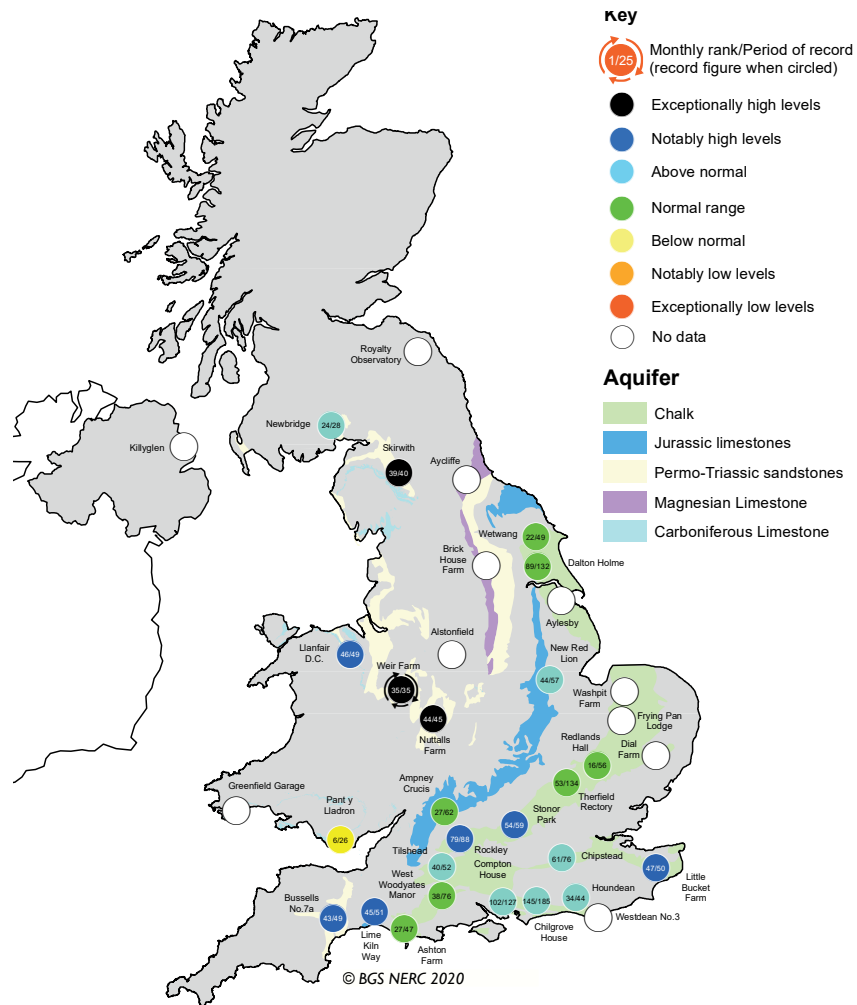
Period: from May 2020

Issued: 11.05.2020

using data to the end of April 2020

Following recent prolonged dry weather, river flows in northern and western parts of the UK are likely to be below normal in May, with exceptionally low flows likely in some areas. The three month outlook is similar, albeit with less confidence. Elsewhere, in parts of the Midlands and south-east England, flows are likely to be normal to below normal over the next three months, with the exception of parts of central southern England where normal to above normal flows are likely. Groundwater levels are likely to be normal to above normal in May across all aquifers, with a similar picture for the next three months but with more aquifers returning to the normal range.

Groundwater records



Groundwater levels - April 2020

The calculation of ranking has been modified from that used in summaries published prior to October 2012. It is now based on a comparison between the most recent level and levels for the same date during previous years of record. Where appropriate, levels for earlier years may have been interpolated. The rankings are designed as a qualitative indicator, and ranks at extreme levels, and when levels are changing rapidly, need to be interpreted with caution.