

Government Written evidence to Efra committee inquiry into the government's approach to managing food risk

Introduction

The government welcomes the Committee's inquiry into flood risk management. The risks from flooding and coastal erosion are increasing as a result of climate change and population growth. Flooding can bring significant disruption to people's lives and livelihoods, damage homes and businesses, and cause stress and anxiety. The government has made clear that it will act decisively to tackle the impacts of climate change.

The 25 Year Environment Plan¹ sets out the government's commitment to reduce the risk of harm to people, the environment and the economy from natural hazards including flooding, drought and coastal erosion. The plan outlines the government's commitment to boost the long-term resilience of our homes, businesses and infrastructure and to ensure that decisions on land use, including development, reflect the level of current and future flood risk.

1. Are the current national and local governance and co-ordination arrangements for flood and coastal risk management in England effective?

1.2 There are strong national and local governance arrangements in place to ensure effective co-ordination and joint working in respect of flood and coastal erosion risk management. The Flood and Water Management Act 2010 ("the 2010 Act") sets out the duties and responsibilities for flood risk management. There are a number of Risk Management Authorities (RMAs) that play an important role in managing flood risk effectively. These include water and sewerage companies (who have a duty to make sure the area they serve is "effectually drained"), highways authorities, district councils and Internal Drainage Boards (IDBs).

1.3 Lead Local Flood Authorities (LLFAs) have responsibility for local flood risk management. This means ensuring risks of flooding from surface run-off, groundwater and ordinary watercourses, are identified and managed as part of a local flood risk management strategy. The Environment Agency has an operational role and is the lead authority for managing the risk of flooding from main rivers, reservoirs, estuaries and the sea. This includes acting as an expert advisor, notably providing planning advice to local planning authorities on planning applications, local plans and environmental assessments. Alongside this the Agency carry out surveys and mapping; undertake warning and informing and report to the minister about flood and coastal erosion risk and how national and local strategies are being applied by all of the authorities involved.

1.4 The 2010 Act places a duty on all flood risk management authorities to co-operate with each other and to work together in order to manage flood risk effectively. The 2010 Act also provides LLFAs and the Environment Agency with a power to request information required in connection with their flood risk management functions.

1.5 The 2010 Act also created Regional Flood and Coastal Committees (RFCCs). There are twelve RFCCs covering all of England. The Committees bring together representatives of the lead local flood authorities in their area and other people of relevant experience and expertise, under the chairmanship of an independent person appointed by government. They also act as a mechanism for sharing information and helping to achieve the best use of resources across a whole region.

¹ <https://www.gov.uk/government/publications/25-year-environment-plan>

They are responsible for ensuring there are coherent plans for identifying, communicating and managing flood and coastal erosion risks across catchments and shorelines.

1.6 The Environment Agency must consult the committees about the way in which they propose to carry out their flood and coastal erosion risk management functions, and take into account the committees' representations. RFCCs are an essential part of the framework in England, and play an important role in bringing together and coordinating local interests.

1.7 There are a number of statutory mechanisms in place to assist Local Authorities to undertake flood risk management including the National Planning Policy Framework and Strategic Flood Risk Assessments (SFRAs). The 2010 Act requires LLFAs to develop and apply local strategies that are consistent with the national strategy. All RMAs are required to act in a manner which is consistent with the National Flood and Coastal Erosion Risk Management Strategy and with local flood risk management strategies.

1.8 The Environment Agency and Lead Local Flood Authorities are required to produce Flood Risk Management Plans every six years which bring together information about all sources of flooding in a catchment and the measures being considered to manage the risk in one place. They are developed using the best information currently available including information from past flooding, Catchment Flood Management Plans, Shoreline Management Plans and Local Flood Risk Management Strategies. Flood risk management is co-ordinated across the UK and in shared river basin districts. There are currently 10 Flood Risk Management Plans at the river basin level².

1.9 In the Environment Bill, the government are placing planning for drainage and wastewater needs on a statutory basis for water and sewerage companies. Drainage and Sewerage Management Plans (DSMPs) will provide a consistent basis for planning across the water sector, enabling companies to target investment on drainage and wastewater more effectively and enable more resilient solutions to drought and managing large volumes of used water and rainfall. Developing DSMPs will require engagement and involvement from other Flood Risk Management Authorities, through which joint solutions and approaches can be developed.

1.10 To further enhance co-ordination, the Environment Agency also takes a strategic overview of the management of all sources of flooding and coastal change. This includes, setting the direction for managing risks through the national flood and coastal erosion risk management strategy for England and through plans (including shoreline management plans and flood risk management plans).

1.11 In July 2018 the government published the Surface Water Management Action Plan³ which sets out the steps the government is taking, with the Environment Agency and others, to more effectively manage the risks of surface water flooding. The plan includes an action for the Environment Agency, as part of the revised National Strategy, to clarify the roles of Risk Management Authorities, and other key players, including the roles they will play in surface water management.

² <https://www.gov.uk/government/collections/flood-risk-management-plans-frmps-2015-to-2021>

³ <https://www.gov.uk/government/publications/surface-water-management-action-plan>

1.12 The Ministry of Housing, Communities and Local Government (MHCLG) is the department responsible for linking the local response to, and recovery from, severe weather with a range of cross-Whitehall interests. Flood and coastal risk management is the responsibility of Defra and the Environment Agency while MHCLG is the lead government department for flood recovery and is the department where the Resilience and Emergencies Division (RED) is located. RED supports communities across England to be prepared for all types of incidents, including flooding, and supports them in response and recovery.

1.13 The Division supports England's 38 Local Resilience Forums (LRFs) to develop plans and by providing expertise and liaison during and after emergencies. This is done through ongoing engagement using a network of Resilience Advisors and through RED's 'Operations Centre' function which provides liaison staff to work with the key local agencies on the ground into recovery. RED provides support in response and recovery to all major incidents at local, regional and national level - working directly with local responders, and with the government's Civil Contingencies Secretariat (CCS) to support COBR. MHCLG has 24/7 links with Defra, the Environment Agency and ongoing updates from the Met Office. These coordinating points across Whitehall and the associated processes are well known and generally run smoothly.

2. What lessons can be learned from the recent floods about the way Government and local authorities respond to flooding events?

2.1 The winter of 2019/2020 was the 5th wettest winter in the UK since records began in 1862⁴. Some areas received almost double their average rainfall for February, with others experiencing a month's worth of rain in just 24 hours. For the 3 storms that occurred during February 2020, peak river levels were the highest or second highest on record on 13 rivers. The number of properties affected for Storm Ciara stand at over 1,300 and for Storm Dennis at over 1,500.

2.2 In the floods of 2007, 55,000 properties were flooded. During the winter of 2019/20, although similar volumes of water were incurred, far fewer properties were flooded. A total of 4,630 properties were flooded, with flood defence schemes providing protection to over 128,000 properties in England.

2.3 Following the Pitt Review in 2008, local and national response to flooding was significantly improved through the establishment of Local Resilience Forums which have led to partnership working. Further improvements have been made following the National Flood Resilience Review in 2016 through the establishment of the National Flood Response Centre and improved weather and flood forecasting capabilities. The National Flood Response Centre (NFRC) facilitates continuous cross-government situational awareness and rapid co-ordination of the central government response. This aids effective decision making in a significant flooding emergency. The NFRC is activated when flooding is expected.

2.4 Local resilience forums bring together all the organisations in an area which have responsibilities for responding to emergencies, including flooding and coastal change events. Members of local resilience forums work together to plan and prepare for localised incidents and catastrophic emergencies.

⁴ <https://www.metoffice.gov.uk/about-us/press-office/news/weather-and-climate/2020/2020-winter-february-stats>

2.5 In 2018, the government undertook a review of multi-agency flood plans (MAFPs) produced by Local Resilience Forums in England. The review was led and overseen by Major General (ret'd) Tim Cross, as an independent external reviewer. It considered the effectiveness and consistency of current flood plans produced by Local Resilience Forums in England, sought to identify examples of good practice and to consider how good practice could be shared across the country.

2.6 The government response to the review accepted many of the key principles of the review and signalled that government had already started to take action on a number of the recommendations such as the continued investment in flood forecasting and warning capabilities and the ongoing work to improve flood risk assessment for surface water by better combining local and national information.

2.7 MHCLG RED undertake lessons learned sessions after each flooding incident to understand issues raised from both response and recovery activity and any operational, process or policy changes required. Should the demands of the Covid-19 emergency response allow, local authorities will provide their perspective of the current processes and support frameworks.

2.8 MHCLG works with the principle that recovery is led at local level and that it is reasonable for local authorities to plan for and cover emergency costs themselves up to a certain level. Where flooding is more localised, it is for the affected local authority to decide what support to make available to its residents and businesses.

2.9 Where local authorities are undertaking recovery activity following severe flooding, MHCLG will intervene and provide financial support. To facilitate efficient engagement in these situations, and following the extreme flooding caused by Storm Desmond and Storm Eva in 2015/16, MHCLG RED created the Flood Recovery Framework, a collection of 'off the shelf' packages that could be drawn upon to support local areas following severe flooding. The Framework was activated by collective agreement for the first time in November 2019 following flooding that affected a widespread number of local authorities, and then again in February following Storm Ciara and Storm Dennis. MHCLG RED have planned to undertake a full review of the Framework, however the current national response to Covid-19 has delayed this work. The review will take place as soon as Covid-19 work ceases or eases.

2.10 In response to the recent flood events of 2019 and 2020, the Government activated the Flood Recovery Framework which provided the following support to the eligible local areas: the Community Recovery Grant, the Business recovery Grant, a Council Tax Discount, Business Rates Relief, a Property Flood Resilience scheme and the Farming Recovery Fund; alongside the Bellwin scheme which allows local authorities dealing with the effects of the storm can apply to have 100% of the eligible costs they incur above a threshold reimbursed by the government.

2.11 There are statutory provisions in place to ensure that lessons from flooding are learnt and help to inform future approaches. For example, Section 19 reports⁵ are completed by Lead Local Flood Authorities when flooding occurs in order to ascertain which Risk Management Authorities have relevant flood risk management functions and whether they have exercised those functions. In 2019, the government commissioned an independent review examining the arrangements for determining responsibility for surface water and drainage assets to review effectiveness and compliance with local requirements.

⁵ <http://www.legislation.gov.uk/ukpga/2010/29/section/19>

3. Given the challenge posed by climate change, what should be the Government's aims and priorities in national flood risk policy, and what level of investment will be required in future in order to achieve this?

3.1 The government is currently investing £2.6 billion over six years from 2015 to deliver more than 1,000 flood defence schemes which will better protect 300,000 homes. Last winter, previous investment in flood defences helped to protect over 128,000 properties. However, the twin pressures of climate change and population growth mean that further action is needed.

3.2 The government has therefore committed to double the amount it invests in the flood and coastal defence programme in England to £5.2 billion over six years from 2021, better protecting a further 336,000 homes and non-residential properties. This record investment is in line with estimates of long-term funding for flood risk management that have been made by the National Infrastructure Commission and the Environment Agency's own modelling.

3.3 According to Environment Agency modelling, this will reduce national flood risk by up to 11% by 2027. This doubling of funding exceeds the level of investment recommended by the National Infrastructure Commission. The government is also making available £120 million to the Environment Agency to repair the assets damaged by the storms last winter.

3.4 Where flooding and coastal erosion is inevitable, further action is needed to ensure that communities can respond and recover more quickly. The government will therefore also provide £200 million over the next six years for a place-based resilience programme. This will support over 25 local areas, urban, rural and coastal, from the North, the Midlands and the South, to take forward wider innovative actions that improve their resilience to flooding and coastal erosion. Areas will be selected based on a range of criteria, including repeated significant flooding in the past.

3.5 Overall funding for flood defences nationally has increased steadily in real terms since 2005/06, from an annual average of £671m between 2005/06 and 2009/10 to an annual average of £821m for the period 2014/15 to 2018/19. Between 2010/11 and 2018/19, capital investment in flood defences was £3 billion, including £1.1 billion in the South, £1.0 billion in the North and £0.9 billion in the Midlands. When looking at flood defences investment over six years (2015-2021), government spend per home at risk is highest in the North at £699, compared to £400 in the Midlands and £314 in the South, and £431 for the country as a whole.

3.6 The Government announced on the 17 April 2020 a number of changes to how funding is allocated to flood schemes.⁶ The changes will take account of the wider environmental and social benefits that come with reducing the risk of flooding. They include updated payments to account for inflation, increased payments for flood schemes which also create a range of environmental benefits, more funding for flood schemes which also protect properties that will later become at risk of flooding due to climate change and a new risk category which will enable schemes that prevent surface water flooding to qualify for more funding. These changes will come into effect from April 2021.

3.7 The government also provides funding for local flood and coastal erosion risk management duties through the Local Government finance settlement. MHCLG is carrying out a Fair Funding

⁶ <https://www.gov.uk/government/news/building-flood-defences-fit-for-the-future>

Review, which will simplify the approach to allocating funds to local authorities, ensuring fairness and transparency.

4. How can communities most effectively be involved, and supported, in the policies and decisions that affect them?

4.1 The government supports partnership working between organisations, businesses and communities with an interest in helping areas to become better prepared for flooding. We expect RMAs to consult and engage communities in preparing their plans which help tackle flooding (e.g. LLFA local strategies, water company 5 year plans and Flood Risk Management Plans). Local circumstances vary across the country and those closest to communities are best able to understand their needs now and in the future. At the very local level, the Environment Agency supports flood wardens which warn and inform their neighbourhood and ensure flood response plans are clear.

4.2 The 2018 Autumn Budget allocated an extra £13 million over three years to tackle risks from floods and climate change, including through pilot projects to ensure property owners have the best information on protecting their homes, and expanding the flood warning system to an additional 62,000 properties at high risk of flooding from rivers and the sea. This gives people the necessary information to take action when flood risk is high.

4.3 Local areas have a strong say and influence in what happens in their areas. Local authorities, internal drainage boards and the Environment Agency areas teams decide which flood defence improvement schemes they want to build and promote in the national capital programme. Regional Flood and Coastal Committees, which have a majority of local authority members, decide which schemes to prioritise, making local choices and agreeing the final programme in their areas. Local councils make decisions about their priorities, including how they use their own funding to tackle flood and coastal erosion risk in their communities.

4.4 Partnership funding can be secured from a range of sources including through Local Levy, local beneficiaries, partners and growth funds. Defra's £2.6 billion capital investment programme is expected to attract more than £600 million in partnership funding contributions. As of December 2019 we have secured over £600 million in partnership funding towards the current programme in addition to Defra's grant in aid to risk management authorities.

5. With increasing focus on natural flood management measures, how should future agricultural and environmental policies be focussed and integrated with the Government's wider approach to flood risk?

5.1 The government is committed to reducing the risk of harm from flooding and coastal erosion including through greater use of natural flood management solutions. Working with natural processes can help to protect, restore and emulate the natural functions of catchments, floodplains, rivers and the coast. This can take many different forms and can be applied in urban and rural areas, and on rivers, estuaries and coasts.

5.2 The government is continuing to invest and promote working with natural processes and Natural Flood Management (NFM) measures as ways to mitigate the risks of flooding and coastal erosion. Whilst NFM measures alone will not mitigate the risk of flooding or coastal erosion they do

contribute, along with other actions such as the government's investment programme when managed together and across catchments. Measures include tree planting, leaky debris dams and peatland restoration on upper slopes. Flood washlands, river re-connection and naturalisation mid-catchment; and management and creation of coastal marsh and sand dune systems in coastal areas are also noteworthy examples of NFM measures.

5.3 All of these measures can have an impact in slowing the flow of flood water downstream. While the majority apply to rural landscapes there are also urban measures which can especially help to manage surface water.

5.4 NFM measures are already a component of some government flood and coastal defence schemes in the current capital investment programme (2015-2021) and will continue to feature in the next investment programme (2021-2027) and the new place-based resilience programme, as announced at the Budget.

5.5 The government has also provided specific investment dedicated to testing different NFM measures, most recently £15 million in 2017 that has funded 33 community led projects and 25 catchment scale projects which will be completed by 2021. These projects will provide vital additional evidence around how these measures help reduce flood risk.

5.6 Whilst these policies are primarily aimed at helping to mitigate flood risk by harnessing the power of nature they do also provide other environmental benefits (e.g. improved air and water quality, increased biodiversity). Likewise, other government commitments and policies can also help deliver flood risk mitigation as one of many secondary benefits. This includes, but is not limited to our commitments to plant 30,000 hectares of trees by 2025, restore 35,000 hectares of peatland and to create a Nature Recovery Network.

5.7 We are investing significantly to achieve these commitments. In the recent Budget, the government announced £640 million for a Nature for Climate Fund and up to £25 million for a Nature Recovery Fund. We will also integrate our plans for trees, peat and nature with our planned incentives, such as the Environmental Land Management scheme and biodiversity net gain. Our Environment Bill will provide a legislative underpinning for many of our environmental goals, including establishing Local Nature Recovery Strategies (LNRS): spatial mapping and planning tools that will help inform nature recovery. We are exploring all opportunities for more joint working and spatial targeting across policies and with external partners to deliver more for the environment and taxpayers.

5.8 Our new Environmental Land Management (ELM) scheme will be the cornerstone of our future agricultural policy. Founded on the principle of "public money for public goods", ELM is intended to provide a powerful vehicle for achieving the goals of the government's 25 Year Environment Plan and commitment to net zero emissions by 2050, while supporting our rural economy.

5.9 Through ELM, farmers and other land managers may enter into agreements to be paid for delivering a range of public goods, including protection from and mitigation of environmental hazards. To deliver this public good, ELM could pay farmers and land managers for land management practices that can help to prevent, or reduce the impacts of, flooding and coastal

erosion. For these hazards ELM will primarily focus on NFM measures as well as changing land use and behaviour, where appropriate.

6. How can housing and other development be made more resilient to flooding, and what role can be played by measures such as insurance, sustainable drainage and planning policy?

6.1 The National Planning Policy Framework (NPPF) is clear that inappropriate development in areas at risk of flooding should be avoided by directing development away from areas at highest risk. Where development in such areas is necessary, it should be made safe without increasing flood risk elsewhere and is appropriately flood resistant and resilient.

6.2 The revised NPPF delivered commitments in the 25 Year Environment Plan to strengthen flood protection. In particular content on resilience, cumulative and future flood risk. As announced in *Planning for the Future*⁷, Defra and MHCLG will be working closely together to review national planning policy for building in areas at flood risk. The planning system today seeks to ensure development is built in the right places, but some change may be needed, particularly as the flood risk facing some parts of the country appears to be increasing in response to climate change and other processes.

6.3 Planning Guidance on floods and coastal erosion is being updated to clarify and help ensure effective implementation of the strengthened planning policy around flood protection.

How are areas at risk of flooding distinguished and considered in planning?

6.4 Land is defined according to river and sea flood risk as being either:

- Flood Zone 1 [Low risk areas]
- Flood Zone 2 [Medium risk areas]
- Flood Zone 3 [High risk areas]. This is split into 3a and 3b – where 3b is known as the ‘functional flood plain’ – where water has to flow or be stored in times of flood.

6.5 The Environment Agency provide the ‘flood map for planning’ which applicants can use to identify which flood zone a particular location is in. The flood zones are drawn in a precautionary way, insofar as they ignore the presence of any risk management schemes. They do not map all sources of flood risk (only sea and river flooding risk as these are more easily modelled) and they are snapshots so don’t directly account for climate change, although they are updated every five years to take new evidence into account. It is the role of Strategic Flood Risk Assessments and Site-Specific Flood Risk Assessments prepared by local planning authorities and applicants respectively to understand these broader flood risks (such as from surface water; groundwater; dam failure etc.). The EA publish a series of climate change allowances that can be applied to flood risk assessments to anticipate changes in river flow, rainfall, sea levels and wave height due to climate change. These help provide resilience to flooding and coastal change over the longer term.

6.6 Flood risk management measures, like robust flood and coastal risk management schemes, can make development acceptable where it would otherwise not be. Property flood resilience, such as raised floor levels and re-arranging the internal uses of buildings, can sometimes also make development acceptable in flood risk areas. Such measures can be made a requirement of any planning consent.

⁷ <https://www.gov.uk/government/publications/planning-for-the-future>

6.7 Broadly, areas at little or no risk of flooding from any source should always be developed in preference to areas at higher risk. Only water compatible developments or essential infrastructure developments are allowed in the functional floodplain. Where there are reports of developments being allowed in 'flood plains', they are generally drawing on statistics of schemes allowed in defended areas (because sufficient developable areas at lower risk are not available), in flood zone 3a rather than 3b, and where the developer has been able to demonstrate to the EA's satisfaction that measures have been taken to make the development safe and resilient, without increasing flood risk elsewhere.

How is development allocated in local areas where flood risk is an issue?

6.8 Development plans are produced with technical input from expert bodies such as the Environment Agency, Lead Local Flood Authorities and water and sewerage companies. Plans should be informed by a Strategic Flood Risk Assessment (SFRA). A SFRA is a study carried out by one or more local authorities or other plan-making bodies / authorities to assess the risk to an area from flooding from all sources, now and in the future, taking account of the impacts of climate change, and to assess the cumulative impact that land use changes and development in the area will have on flood risk. They identify opportunities to reduce the causes and impacts of flooding and gather information on the land that is likely to be needed for flood risk management infrastructure. The SFRA should inform the strategic identification of land for development in the development plan.

6.9 Plans need to reflect the National Planning Policy Framework, which sets out a clear, overarching policy on flood risk: inappropriate development in areas at risk of flooding (whether existing or future) should be avoided, and where possible, alternative locations at lower flood risk should be identified. This is known as the 'sequential test'. Where development is necessary, and where there are no suitable sites available in areas with a lower risk of flooding, the proposed development should be made safe without increasing flood risk elsewhere. This is the 'exception test'. Where these tests are not met, new development should not be allowed. The policy recognises that it is unrealistic to ban development in flood risk areas, as around 10 per cent of England has a high risk of flooding (before taking account of flood risk management schemes), including large parts of many major towns and cities.

How are applications in flood risk areas handled?

6.10 A site-specific flood risk assessment should accompany all planning applications in flood risk areas, including areas subject to surface or groundwater flooding, and for large developments of 1 hectare or more, and in areas notified to the LPA by the EA having critical drainage problems. The assessment should identify all flood risks, to and from the development, and demonstrate how these will be managed, so that the development will be safe for its lifetime and not increase flood risk elsewhere.

6.11 The Environment Agency must be consulted on planning applications in areas at risk of flooding from rivers and the sea, and in critical drainage areas. The Agency is a statutory consultee on all planning applications (other than for minor development) which is to be carried out on land in an area within Flood Zones 2 and 3; or in Flood Zone 1 which has critical drainage issues. The EA provides specific advice on all residential planning applications in Flood Zone 3, regardless of the scale of the development. In Flood Zone 2, the Agency provides specific advice on large scale

residential planning application (i.e. ten dwellings or more), as well as for all basement dwellings and mobile homes intended for permanent use.

6.12 Ultimately, the decision on a planning application is for the planning authority to take in accordance with the development plan, and having weighed up all the material planning considerations – including advice received from flood risk management bodies (such as the EA, LLFA, water companies etc.), and any SSFRA. Local councils should notify the Environment Agency of the decision on any planning application where the Agency have objected on flood risk grounds.

6.13 Lead Local Flood Authorities must be consulted on surface water drainage considerations in applications for all major new developments. The Environment Agency's and LLFA's comments and advice should help inform the LPA's decision on a planning application and ensure it is in line with the NPPF policy on flood risk.

6.14 Where the Environment Agency sustains an objection on flood risk grounds to 'major' developments (e.g. 10 or more houses) which cannot be resolved, the local authority cannot permit the development without first checking whether the Secretary of State wants to call it in for his own determination. In 2017/18, over 95% of all planning decisions were in line with Environment Agency advice and over 99% of new homes proposed in planning applications complied with Environment Agency advice⁸.

6.15 Sustainable drainage systems (SuDS) reduce the risk of surface water flooding, enabling additional new homes and development which are more resilient to flooding and do not increase flood risk to existing communities. The National Planning Policy Framework was updated in February 2019 to incorporate strengthened policy to ensure SuDS are provided in all major developments, unless demonstrated to be inappropriate. This is in addition to requirements that SuDS should be given priority in new developments in flood risk areas. The government's 2018 review of the application and effectiveness of planning policy for SuDS found that almost 90% of the sample of approved planning applications, for both major and minor development, explicitly stated that sustainable drainage systems would feature in the proposed development. In line with commitments in the 25 Year Environment Plan we will be shortly be amending Planning Practice Guidance for SuDS to reflect the updated National Planning Policy Framework.

Flood insurance

6.16 With regard to insurance, the government launched Flood Re in 2016 and will run until 2039. Flood Re is a flood re-insurance scheme designed to improve the availability and affordability of flood insurance. In the 2018/19 financial year Flood Re provided cover for 172,000 household policies. Approximately 300,000 properties have benefitted since the scheme's launch.

6.17 Since the launch of Flood Re there has been a dramatic increase in both availability and affordability. Independent research demonstrates that before the launch of Flood Re only 9% of households with previous flood claims could get 2 or more quotes on price comparison sites, and no one could get 5 or more. Shortly after Flood Re was launched the figures rose to 95% being able to get 2 or more insurance quotes and 64% being able to get 5 or more. As of May 2019, 100% could

⁸ <https://www.gov.uk/government/publications/flood-and-coastal-risk-management-national-report/managing-flood-and-coastal-erosion-risk-management-report-1-april-2017-to-31-march-2018#reducing-risk-and-minimising-consequences>

get 2 or more quotes and 99% can get 5 or more. Also, 4 out of 5 of these households with previous flood claims saw their premiums drop by more than 50%.

6.18 In July 2019, Flood Re published their first Quinquennial Review⁹ of the scheme. Their subsequent report contained seven recommendations, ranging from suggestions to improve the efficiency of the scheme itself, to proposals to allow Flood Re to incentivise Property Flood Resilience. The government is carefully considering these proposals.

6.19 The government has announced a review into flood insurance following the November 2019 flooding. The review will look to identify the reasons why people did not have sufficient insurance cover, and in some cases no insurance at all.¹⁰

Property flood resilience

6.20 Property Flood Resilience (PFR) gives householders or small businesses the tools to manage the impact that flooding has on their lives. PFR means taking action to stop water entering a property, or if it does, making adaptations that reduce the level of damage it causes. Since 2016 Defra have been working with industry through a Property Flood Resilience Roundtable to explore how business, homeowners, and government can reduce the impact of flooding through greater awareness and the use of Property Flood Resilience measures. February 2020 saw the launch of an industry led Code-of-Practice on PFR service delivery to consumers. There are also two existing British Standards that cover the quality of the products and construction.

6.21 Following the unprecedented flooding in November 2019 and following the recent storms, government announced Property Flood Resilience recovery grants of up to £5,000 in affected areas to help eligible homes and businesses become more flood resilient.

6.22 Between 2015 and 2021 the Environment Agency is spending approximately £3.6 million of grant in aid on PFR resistance measures for households at very significant risk. Examples of things people can do include installing non-return valves on waste pipes, airbrick covers, using flood resistant coatings on walls and using flood barriers to stop water coming through doorways.

6.23 In addition, the government is funding a £2.9 million PFR Pathfinder project which aims to boost the uptake of PFR measures through education, advice portals and innovative initiatives to make homes and buildings more resilient to floods. The projects will be delivered with support from the Environment Agency. Rather than simply fund installation of PFR, the funding will be used to create demonstration centres, engage with businesses, and advice portals, to help people to learn about the benefits of installing measures in their homes. The funding was awarded to three projects in Yorkshire, Cornwall and the Oxford-Cambridge Regional Flood & Coastal Committee areas.

Conclusion

The government's written evidence to this inquiry sets out the broad range of actions we are taking to reduce the risk of flooding and to help limit the impacts where flooding does happen. Later this year, the government will set out its policies to tackle flooding and coastal erosion in the long term,

⁹ https://www.floodre.co.uk/wp-content/uploads/QQR_FINAL.pdf

¹⁰ <https://www.gov.uk/government/news/former-chair-of-abi-to-lead-flood-insurance-review>

and the Environment Agency will publish an updated Flood and Coastal Erosion Risk Management Strategy for England.