



**National Assembly of Wales Petitions Committee
P-04-572 Grants for Flood Resilience**

Property-level Protection – Resistance and Resilience measures

The insurance industry is supportive of effective resistance and resilience property-level protection measures. These measures can help reduce the devastating impact that flooding can have on a person's property and possessions.

The important factors for insurers considering property level protection measures will be confidence in reducing the risk of damage, competency of installation and ensuring the measures are properly maintained where required.

Insurers will seek to take account of any measures which can be shown to have reduced the flood risk to a property, including measures funded by the Welsh Government and Local Authorities to make properties more resistant to flooding. Many insurers will already use a range of sophisticated data sources and technology to assess the risk of flooding when issuing quotes. An increasing number of insurers are taking a more detailed view of whether a property may flood – down to property-level assessment of risk from fluvial flooding or other types of flooding such as from surface water – which will continue as modelling and mapping improves.

For insurers to be able to increasingly take into account property level protection measures these need to be aggregated and in a format that the systems used by the insurers can readily digest and use. Work is already in development to consider how common standards applied to these measures could act as a guide for insurers as to the level of resilience or protection applied.

Decisions on policy terms and premiums are commercial decisions for individual insurers to make.

Resilient repair as part of the claims process

During the claims process, most insurers will discuss options for resilient repair with flooded customers. If the work is cost-neutral (i.e. it can be built into the cost of reinstatement) and the customer agrees then this can usually be carried out as part of the repair process. Any additional costs, known as 'betterment', would need to be funded by the customer, or by a government grant if available.

Government grants

Following a major flood, insurers and their supply chain will look to raise awareness amongst their customers of any government schemes that are available, such as the 'repair and renew grant' following the winter floods 2013/14 and the most recent resilience grants announced after Storms Desmond and Eva.