

Successful partnership on flood management and insurance will depend on full implementation of Government policies says the ABI

Five years on from the devastating floods of Autumn 2000, Government commitments to reduce the risk of flooding are not being delivered on the ground according to a report published today by the ABI (Association of British Insurers). The ABI's Statement of Principles on flood insurance, which ensures that flood insurance remains widely available, depends on the flood risk being adequately managed.

Stephen Haddrill, the ABI's Director General, said:

“ Much has changed for the better in the last five years, but more work is needed in the next five years as well. The Government has now got the right policies, but they are not being fully delivered.”

The 2000 floods prompted a Government overhaul of flood management in the UK. The ABI has assessed if there have been real improvements 'on the ground'.

The ABI report, Revisiting the partnership: five years on from Autumn 2000, argues that the increased level of investment in flood defences needs to be sustained over the longer term. And while there is now better planning guidance, and more accountable funding arrangements, the ABI is concerned that:

- It remains unclear how the increased investment is reducing risk locally, and which communities are benefiting from improved protection. For example, Barby in North Yorkshire has still not got a completed flood defence scheme despite being at high flood risk, while parts of neighbouring Malton have inadequate defences.

- One-in-four planning applications where the Environment Agency objects still go ahead. The Agency should become a statutory consultee for all applications in flood risk areas.
- An integrated plan is needed to tackle urban flooding. Britain's largely Victorian drainage system is struggling to cope with the increase in urban flash flooding and needs urgent renewal.

Stephen Haddrill said:

“The partnership between the insurance industry and Government has ensured that flood insurance remains widely available for almost everyone. The industry's Statement of Principles provides reassurance for millions of policyholders. For this to continue, the Government needs to get down to implementing further improvements to reduce the risk of flooding.”

Notes for Editors

1. Enquiries to:

Malcolm Tarling 020 7216 7410 (Mob: 07776 147 667)

Lucy Butler 020 7216 7411 (Mob: 07712 841 184)

Jonathan French 020 7216 7392 (Mob: 07958 330 480)

Alan Leaman 020 7216 7440 (Mob: 07957 482 330)

2. Attached is a copy of the report

3. The ABI is the trade association for Britain's insurance industry. Its nearly 400 member companies provide over 94% of the insurance business in the UK. It represents insurance companies to the Government, and to the regulatory and other agencies, and is an influential voice on public policy and financial services issues. ABI member companies hold more than a fifth of all investments traded on the London Stock Exchange, on behalf of millions of pensioners and savers.

4. An ISDN line is available for broadcasts.