



Department
for Environment
Food & Rural Affairs

www.gov.uk/defra

Government response to the public consultation on securing the future availability and affordability of home insurance in areas of flood risk

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www.gov.uk/government/consultations/insurance-in-areas-of-flood-risk

Any enquiries regarding this document/publication should be sent to us at:

Floods & CBRN Programme
Department for Environment, Food and Rural Affairs
3rd Floor, Nobel House
17 Smith Square SW1P 3JR

Telephone: 020 7238 6239

Email: floodinsurance@defra.gsi.gov.uk

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1. Introduction

The Government recently consulted on proposals to ensure that domestic property insurance continues to be widely available and affordable in areas of flood risk in the UK. We proposed to take forward these measures in the Water Bill which is currently before Parliament. The consultation paper is available at:

www.gov.uk/Government/consultations/insurance-in-areas-of-flood-risk

In the UK, 5.8 million properties (around 20%) are estimated to be at some risk of flooding. Insurance plays an important role in helping people manage the potential financial consequences of their property being flooded. Mortgage lenders in the UK also generally require mortgage holders to purchase buildings insurance which includes cover for flooding.

However, the insurance market is changing in a number of ways which together could lead to some households in flood risk areas finding home insurance less available or affordable than in the past. This could result in householders struggling to afford cover; being unable to meet the conditions of their mortgage or finding it difficult to sell their home because of insurance problems. This could also create instability in the housing market in some areas.

The UK Government reached a headline agreement (“the MOU”) on a way forward in June 2013, based on the Association of British Insurers’ (ABI) “Flood Re” reinsurance pool for high risk households. This would replace the previous voluntary agreement with the insurance industry (the 2008 Statement of Principles). Flood Re would protect many of those most at risk by in effect limiting flood insurance premiums. Premiums would be set according to property values and people would know the maximum they could be asked to pay. This support to households at high flood risk would be time-limited and transitional to allow time for choices to be made and risk management action to be taken, and to enable the insurance market to adjust to risk-reflective prices gradually and over time.

To fund Flood Re, a new industry-backed levy would enable insurance companies to cover those at most risk of flooding. All UK household insurers would have to pay into this pool, creating a fund that could be used to pay claims for people in high-risk homes.

As set out in the June announcement, there are still a number of important issues to resolve with the Flood Re approach, such as securing State Aid approval from the European Commission. Therefore we also proposed to take steps to legislate for a Flood Insurance Obligation, to be implemented if Flood Re proved unworkable at any stage or would not deliver our goals, or if pricing for high risk households under a free market approach proved to be unacceptable.

The insurance industry has agreed to continue to abide voluntarily by their commitments under the Statement of Principles in the interim period until Flood Re is operational.

This document sets out the Government's conclusions in the light of the views respondents expressed on the consultation proposals, the outcome of the informal consultation on draft clauses for the Water Bill and the outputs from various stakeholder events held since the June announcement of the Government's proposed way forward.

Devolution

The UK Government has also been working closely with the Devolved Administrations in continuing to develop its thinking on the way forward on flood insurance, including in response to the views expressed during the public consultation. Because these discussions are on-going, this response paper does not reflect specific issues raised by the Devolved Administration Governments and their agencies since the June announcement, particularly in relation to the implementation of the Flood Insurance Obligation.

We have been considering how the policy ambitions in the MOU could apply in the Devolved Administrations. We have also been working hard to ensure that any legislative changes are implemented through the Water Bill in a way that reflects the different situations in the Devolved Administrations and respects that whilst financial services, including insurance, are a reserved matter, flood risk management is devolved. We will continue to work with the Devolved Administrations throughout the implementation period.

2. Consultation process

Public consultation – summer 2013

The public consultation on ‘Securing the future availability and affordability of home insurance in areas of flood risk’ was launched on 27 June and closed on 8 August 2013.

We received 149 responses from the groups below.

Respondent group	Number of responses
Business	2
Flood risk management experts	15
Individuals or community groups at risk of flooding	58
Insurance industry	16
Legal	2
Local Authorities	25
Parish councils	12
Property/Mortgage industry	6
Specialist groups	9
All Party Parliamentary Group on Insurance and Financial Services	1
Unknown	3

We very much welcome the work undertaken by the National Flood Forum (NFF) and the Scottish Flood Forum (SFF) to encourage communities at risk of flooding to take part in

the consultation process. This included the NFF sending out a targeted questionnaire to community flood groups: the Forum's response incorporated the comments made as part of the survey. The SFF response also incorporated views of Community flood groups in Scotland. The Environment Agency worked closely with Regional Flood and Coastal Committees to encourage engagement at local and regional level.

A statistical analysis of responses can be found at annex A and a list of respondents at annex B.

Overview of responses

More detailed answers were generally provided on the questions related to the Government's preferred option Flood Re, with less detailed responses on the Flood Insurance Obligation.

The majority of respondents support the Government's policy objective and there was strong support for the proposed approach to address the availability and affordability of flood insurance. Some respondents including the NFF felt greater clarity was needed on how communities at risk of flooding would make the transition to risk reflective pricing over 20-25 years. Where they provided comments, responses from the insurance industry were generally unsupportive of the Flood Insurance Obligation. The majority of respondents from across a range of other sectors supported the Obligation, although respondents from areas with fewer properties at high risk had more concern about the potential costs.

Flood insurance events in 2013

As part of the consultation process, we held discussions on flood insurance at a number of stakeholder events. These included the:

- Joint Environment Agency/Defra stakeholder flood forum held on 10 July
- London Flood Summit held on 18 July
- Edinburgh Flood Summit held on 1 August
- Belfast Flood Risk Engagement event held on 5 August

The events were attended by a broad range of groups and organisations with an interest in flood insurance.

A high level overview of the views expressed about the Government's proposed approach is below. Where relevant, more specific comments raised at stakeholder events have been included in section 3.

Environment Agency/Defra stakeholder flood forum

The majority of attendees at the stakeholder forum agreed that Flood Re should be the preferred option, with the Flood Insurance Obligation being developed in case Flood Re proved unworkable. However, some questions were raised about the transition to a free market beyond the lifetime of Flood Re.

London Flood Summit

Attendees broadly agreed with the proposed policy objective to achieve affordable and available flood insurance. However, some felt a 20 – 25 year period was too short, while others felt a more immediate move to a free market would provide better value for money. Questions were also raised about whether a free market in 20-25 years would deliver available and affordable insurance. Attendees were broadly supportive of Flood Re, but there was a more diverse range of opinion on the Flood Insurance Obligation.

Edinburgh Flood Summit

The majority of attendees supported Flood Re as the preferred option, with less support for the Flood Insurance Obligation. There was wide agreement that the lack of incentives for the installation of flood resilience measures under Flood Re need to be addressed. How 'high risk' households ceded to Flood Re would be defined was raised by a number of attendees. Additionally, the implications for small businesses and how genuinely uninsurable properties will be defined were raised.

Belfast Flood Risk Engagement meeting

The Floods Directive Steering Group discussed the Government's proposed approach. This group is responsible for the implementation of the EU Floods Directive and includes representatives from many of the Northern Ireland Departments. The majority of attendees supported Flood Re, provided that the correlation between property Rateable Values and Council Tax bands was fair and reasonable. It was less clear if the Flood Insurance

Obligation could be applied, as proposed, in Northern Ireland, however it was accepted that a policy holder opt-in approach may work.

Consultation on the flood insurance draft clauses to be included in the Water Bill

Between 6 and 20 September we also undertook a short informal consultation to seek views on draft laws about the future availability and affordability of flood insurance for homes.

A total of 17 responses were received (a list of respondents is provided at Annex C). The majority of respondents took the opportunity to re-state views expressed in the wider public consultation, with a smaller number providing specific comments on the draft clauses.

Where relevant, comments relating to issues also raised in the public consultation are addressed in section 3 below. Any more detailed comments are addressed in section 4.

3. Government response to issues raised in the public consultation

Government's policy objective and approach for addressing the availability and affordability of flood insurance (Questions 2 and 6)

The consultation set out the Government's objective to ensure that domestic property insurance continues to be widely available and affordable in areas of flood risk, without placing unsustainable costs on wider policyholders or the taxpayer, and that over time (e.g. 20-25 years) there should be a gradual transition towards more risk-reflective prices. Respondents, including the All Party Parliamentary Group on Insurance and Financial Services (APPG), gave broad support to this objective. Alongside this, many respondents stressed the need for continued Government investment in flood risk management and the importance of preventing inappropriate development in the flood plain. Some, including the National Flood Forum (NFF), felt greater clarity was needed on how communities at risk of flooding would make the transition to risk reflective pricing over 20 – 25 years.

Respondents also gave strong support to the Government's proposal to introduce Flood Re and to take steps to introduce a Flood Insurance Obligation if Flood Re proved unworkable at any stage or it would not deliver the Government's objective. However, responses from the insurance industry were generally unsupportive of the Flood Insurance Obligation and concerns were also voiced about the practical implications of implementing the Obligation, should it be required.

In addition, some individuals and community groups questioned whether the Government's proposed approach would provide a long term solution due to the increased likelihood of extreme flooding events connected with climate change. Others felt the Environment Agency's assessment of flood risk was inaccurate.

Attendees at the various stakeholder events were also keen to understand the effect of the proposed approaches on the incentives for reducing flood risk at a household and local authority level. This was a particular concern in relation to Flood Re, where the NFF, the Scottish Flood Forum (SFF) and a number of flood and coastal erosion risk management

experts raised concerns that Flood Re could reduce the incentives for householders to take action to reduce their exposure to flood risk, e.g. through property protection measures.

A number of respondents to the consultation on the draft clauses also felt the Water Bill should make clear that Flood Re is the preferred option. Some respondents felt the provisions relating to the Secretary of State's role in establishing the various aspects of Flood Re should be made more definitive by substituting '*may*' with '*will*'. This would change the permissive powers provided to the Secretary of State into statutory duties.

It was also suggested that the Bill should provide greater clarity on how the transition to the free market will be achieved or monitored, and that the Bill should state that there should be public consultation on regulations made using the powers provided for in the Bill.

Response

The Government welcomes the strong support received during the public consultation both for our overall aim to achieve a smooth transition to a free market for flood insurance over a 25 year period, and our proposed policy approach to deliver this.

We share the views of respondents that reducing flood risk is the best way to secure affordable insurance. Flood management remains a top priority for Government, supporting the overarching objective to deliver economic growth and build a strong economy. Despite the need to continue to pay down the deficit, in England we announced in June a protected long-term commitment at record levels to invest in crucial flood defences, which over the decade to 2020/21 will better protect around 465,000 properties from the risk of flooding. We have also provided an above-inflation increase for 2015/16 for the Environment Agency's vital work to maintain our existing flood defences; and protected front line flood management activity. The Devolved Administrations also continue to make flood risk management a priority and their levels of funding were set out in the public consultation earlier this year.

Given the strong support for the Government's objective and approach, we continue to intend to legislate on flood insurance through the Water Bill. Respondents to the consultation rightly highlighted some of the complex issues which need resolving before

Flood Re can be implemented and we are working closely with the ABI and others to address these.

We appreciate that respondents may be seeking reassurance in the Water Bill that Government is fully committed to establish Flood Re, but the current drafting of the Bill clauses reflects the standard approach for any policy. Making these powers into statutory duties would compel Government to create regulations even in the event that Flood Re was not able to be implemented, creating a resource burden on both Government and Parliament. However the drafting does not detract from the Government's firm commitment to Flood Re.

We also recognise that, in general, insurers remain opposed to the Flood Insurance Obligation. However, having carefully considered the range of views expressed during the consultation, we continue to believe that the right course of action is to seek powers for both Flood Re and the Flood Insurance Obligation. As set out in the June announcement, the Government would only introduce the Flood Insurance Obligation if Flood Re proved unworkable at any stage or would not deliver our goals, and if pricing under a free market proved unacceptable. This approach will provide confidence that the problem is tackled one way or the other.

The Government agrees with those respondents who emphasised the need to preserve incentives to manage flood risk. Under the proposed new arrangements we want to ensure that incentives to reduce flood risk remain and we are working closely with the ABI on how this can best be achieved within Flood Re. This extends the work that Government has already undertaken with the insurance industry and others, for instance to ensure that the installation of resistance and resilience measures can be reflected in reduced premiums, such as through the introduction of the Flood Risk Report, which is designed to be completed by a surveyor after the installation of measures. The Report was launched in Autumn 2012, and has been promoted by the ABI and the British Insurance Brokers Association (BIBA).

Communities and individuals can take steps to reduce the impacts of flooding on their property which can help them secure affordable insurance. A wide range of support and advice about how people can do this is already available through a number of websites and organisations. To help people understand the costs and benefits of the steps they

should take, the Government has supported the development of an online Property Protection Adviser, available on the National Flood Forum website embedded with other supporting information. This will provide independent tailored advice to households about appropriate measures and their cost.

We agree that it is important that people are able to access information on flood risk and in England we will make detailed surface water flood risk information available to the public. One of the benefits of the MOU reached in June is that insurers have agreed to share information on all flood claims with risk management authorities to further improve our understanding of flood risk.

The Government also agrees on the importance of ensuring that new development is appropriate. Strong national planning policies on development and flood risk were put in place prior to 2009 and have been carried forward in the National Planning Policy Framework. Inappropriate development in areas at risk of flooding should be avoided by steering development away from areas at highest risk. If there are no other suitable sites available, any development that is necessary should only be permitted in flood risk areas where it can be made safe, appropriately resistant and resilient to flooding, and must not increase flood risk.

The Government agrees on the importance of providing greater clarity and certainty to households and others, of how Flood Re benefits for high flood risk households will be phased out within 20-25 years in a way that will ensure a smooth transition to the free market, as set out in the Memorandum of Understanding.

Government has therefore strengthened the final Water Bill clauses to reflect the clear policy intention that the scheme should manage, over the period of its operation, the transition to risk-reflective pricing of household flood insurance. In setting any specific criteria, however, it will be important to ensure that Flood Re has enough operational choice as to how it reduces support. In the first instance, it would therefore be for Flood Re to set out clearly and concisely how this scheme will be run so as to meet its objectives, including, in the initial period, the need to ensure that Flood Re's eligibility thresholds are indexed to the Consumer Price Index (CPI).

The Government will carry out further public consultation before regulations to introduce either Flood Re or the Obligation are made.

Scope of policy proposals – small businesses and buildings & contents cover (Questions 1, 12 and 18)

Evidence of small businesses experiencing problems accessing affordable flood insurance

The consultation concluded that there is currently insufficient evidence to justify Government intervention in the market's provision of property insurance cover for small businesses. Respondents to the consultation cited a number of examples of small and medium enterprises (SMEs) experiencing difficulty with the availability and affordability of property insurance due to the risk of flooding. BIBA, NFF, the Scottish Flood Forum and many property/mortgage sector respondents felt SMEs should be included in any policy response.

However, a number of insurers felt that flood cover is widely available for SMEs in the commercial market, the number of SMEs at risk of flooding is relatively small and businesses are generally better placed than householders to take action to reduce flood risk.

Respondents from a range of sectors thought clarity was needed on the treatment of 'boundary cases', e.g. micro-businesses, Bed & Breakfasts, buy to lets, home workers. The All Party Parliamentary Group favoured the inclusion of properties with mixed residential and business accommodation and similar points were made in the responses to the consultation on the draft Water Bill clauses. Questions were also raised over how mixed use buildings would be dealt with.

Response

The Government has considered the evidence provided in the consultation responses. We recognise the difficult challenges that some small businesses could face in areas of high flood risk. However, we remain of the view that overall there is insufficient evidence to justify Government intervention in the provision of insurance cover for small businesses. In general, business insurance policies are often bespoke and already priced to risk, as opposed to the household insurance market where a cross-subsidy has historically been in place.

On balance, the Government does not intend to include small businesses within the scope of Flood Re or the Flood Insurance Obligation. On this basis, charities would also be excluded if they hold business insurance policies. We will continue to work with the ABI and other stakeholders to monitor the insurance market for small businesses and keep the issue under review. We propose that any insurance policies that have been classified as commercial would not be subject to the levy under Flood Re, as this levy will apply only to domestic policies.

We also recognise that there is a need to give clarity to micro businesses on whether they can expect to be included in the definition of a domestic policy. The insurance industry is currently developing a more detailed set of eligibility criteria and descriptions of each type of potential policy. We understand that under these proposed criteria, for properties to be eligible for Flood Re, they would need to be insured in the name of an individual, they would need to have been allocated a Council Tax band; be used for residential purposes; have an individual premium; and be occupied by the policyholder, or their immediate family.

We expect that whatever criteria are adopted as part of the final scheme rules, all residential contents policies would be eligible for Flood Re, with no exceptions envisaged. We also expect domestic buildings policies for homeworkers would be eligible for Flood Re, as would Bed and Breakfasts provided they possess a Council Tax band. However, the proposed criteria would mean for instance that buildings policies would not be eligible if they are owned by a private company because they would be covered by a commercial insurance policy. The Government is continuing to work through the details with the insurance industry to ensure the approach would support the achievement of our overall policy objectives and to ensure it is proportionate, and easy for Flood Re to administer.

Buildings and contents cover

There was strong support for both buildings and contents insurance to be included in Flood Re and the Flood Insurance Obligation.

Response

The Government agrees that Flood Re and the Flood Insurance Obligation should apply to domestic policies providing buildings and/or contents cover.

Impact Assessment (Questions 3, 4 and 5)

Respondents generally support the approach taken in the Impact Assessment. However, a number of respondents felt the Impact Assessment should give further consideration to the social impacts of flooding, climate change and the potential for property blight. The NFF also suggested the Impact Assessment could consider a scenario of Flood Re without the 20-25 year transition to a free market.

The consultation also asked whether respondents agreed with the evidence presented in the Impact Assessment. The majority of those who answered the question agreed.

However, the ABI and a number of insurance respondents felt the risks of no intervention had been understated and the assumption that new markets would emerge overstated. A number of respondents also suggested the costs of Flood Re have been underestimated.

A number of respondents also provided additional information to be considered for the Impact Assessment.

Response

A revised Impact Assessment will be published alongside the amended flood insurance clauses. This has taken account of the consultation responses, notably in terms of developing the analysis of transition to a free market, the potential impacts of climate change, impacts on property values and the costs of the options. We have also extended our assessment of costs and benefits to cover both the standard 10 year period, and the proposed 25 year period of the policy's operation. The revised Impact Assessment also includes an analysis of the equality impacts that were taken into account in devising the policy.

Flood Re

Will Flood Re secure the availability and affordability of household flood insurance? (Question 15)

The majority of respondents provided support for Flood Re. The APPG were also supportive, but believed that clarity was needed on what would happen in the event of

losses exceeding a 1:200 year loss scenario (see below). Local authorities were in broad support if Flood Re was regularly reviewed to ensure the levy, premiums and excesses continue to be affordable. Some questions were raised about implementation including the possible need for additional measures to ensure flood insurance is affordable for low income households.

As noted above, a number of respondents also questioned whether Flood Re would reduce the incentives for householders to take action to manage their flood risk.

A number of respondents to the consultation on the draft Water Bill clauses felt more clarity was needed on how Flood Re would control excesses and ensure affordable premiums. Some respondents also questioned how Government would secure value for money from Flood Re as a private body and in particular, whether Flood Re would need to comply with rules on public procurement. The issue of whether Flood Re would be subject to Freedom of Information requests was also raised.

Response

The Government welcomes the support for our preferred policy option, as set out in the June announcement. We agree with the key benefits of Flood Re highlighted by respondents. These included greater certainty to householders about the amount they will pay for their flood insurance premiums and excesses, and that incentives for insurers to decline cover will be removed. We also agree it is important to ensure that the introduction of Flood Re does not undermine the incentives for householders to take action to manage their flood risk and (as set out above) we have been working closely with the ABI to address this.

The MOU published alongside the June announcement sets out a process for reviewing the level of the levy which will fund Flood Re, after the first five years of Flood Re's operation. The MOU also set out the need for Flood Re to work with the Government to agree arrangements to limit its impact on the public finances: we are in ongoing discussion with the insurance industry on this issue.

Many of the other, more detailed, elements of Flood Re's operation would be set out in the scheme's rules, before it comes into operation. For example the current proposal is that insurers would be able to charge excesses of between £250-500 per policy. We are also

continuing to work with the insurance industry to develop an approach for scheme administration which will take procurement requirements into account.

The Freedom of Information Act provides individuals with the right to request information from a public authority as defined by the Act. Our working assumption is that the Freedom of Information Act will not apply to Flood Re as it will not fall within the definitions of a public authority as set out in section 3 of the Act.

Setting 'eligibility thresholds' according to Council Tax bands (Questions 8 and 9)

The majority of respondents agreed that eligibility thresholds should be set according to Council Tax bands (or their equivalents in the Devolved Administrations) to help ensure support is targeted towards those who need it most, without the need for significant administration. Respondents from across a range of sectors felt that while it was not a perfect method, it provided the most practical and cost effective measurement available. However, a number of insurance respondents felt accounting for levels of flood risk remained important.

The APPG felt Council Tax bands had the advantage of being widely known and separate from insurers' existing rating systems which should help address any potential concerns about unfairness.

Respondents were also asked for views on the proposed initial 'eligibility thresholds' within Flood Re which would effectively limit the technical flood risk premium paid by high risk households. Some respondents across a range of sectors (including NFF and the Joseph Rowntree Foundation) suggested that eligibility thresholds should be lowered for Council Tax Bands A-C. This was echoed by some stakeholders at the Environment Agency/Defra forum. There was also some support from individuals, communities at risk of flooding and local authorities to include an additional social deprivation measure. The APPG also felt that more consideration could be given to reducing costs for lower income households.

Local authorities in Northern Ireland requested further clarity on how eligibility thresholds will be created from their Rateable Value System.

Some respondents to the consultation on the draft Water Bill clauses suggested that the Bill should include specific provisions to provide insurers with access to Council Tax data.

Response

The Government has been clear that those most at need of support should receive the greatest proportion of the benefit under Flood Re. That is why, under the current proposals, properties in Bands A-C benefit proportionally more than other households.

However, eligibility thresholds are finely balanced, offering reductions against true risk reflective pricing and tapering support towards lower value properties. Targeting Flood Re further towards lower-income households by including some additional social deprivation measure, would be extremely complex, which is why Flood Re is targeted using Council Tax bands.

Given that any rebalancing of the benefits to one group of households could only be achieved by reducing the benefits going to others or by increasing the levy on all household policies, the Government does not believe it would be appropriate to change the eligibility thresholds at this stage, however these will be kept under review.

Defra has been engaged in discussions with the Northern Ireland Rivers Agency over how eligibility thresholds will be created from the Northern Ireland Rateable Value system. The proposed approach would aim to assign properties in Northern Ireland to 8 categories, which could correlate to Council Tax Bands A-H. The boundary threshold of each category would be determined using capital value of properties in Northern Ireland.

The final Water Bill clauses tabled for introduction in Parliament will include provisions on the sharing of Council Tax information for England and Wales from HM Revenue and Customs. Scottish Council Tax information and Northern Ireland Rateable Value data is already publically available and the Scottish Assessors Association and the NI Land and Property Service are able to disclose this information without the need for provisions in the Bill.

Exclusions from Flood Re (Questions 10 and 11)

The consultation asked whether particular categories of property should be excluded from Flood Re and whether any further exclusions should be considered.

Band H properties (and their equivalents in the Devolved Administrations)

Of the respondents who answered this question, most agreed that Band H properties (and their equivalents in the Devolved Administrations) should be excluded from Flood Re. NFF and the Joseph Rowntree Foundation (JRF) supported the exclusion but noted there are a small number of asset rich but income poor households who could be impacted. However, many mortgage and property industry respondents raised concerns about property blight and regional bias and felt that Band H properties should be included. The APPG also felt Band H properties should be included. Some stakeholder event attendees suggested that bespoke solutions were needed for Band H properties.

Properties built since 2009

Of the respondents who answered this question, the majority agreed that properties built after January 2009 should be excluded, in order to maintain consistency with the Statement of Principles and avoid any potential incentives to build homes in areas of flood risk. Those who disagreed cited the risk of property blight; that detailed surface water flood risk information has not been available to the public; and that climate change could increase flood risk to properties. The APPG agreed there should be a cut-off date but questioned whether this should be 2009.

“Genuinely uninsurable” properties

Of those who responded to the question, most also agreed that ‘uninsurable properties’ should be excluded from Flood Re. Insurance companies made a number of suggestions for how ‘uninsurable properties’ could be defined but acknowledged developing an accurate definition would be challenging.

However, BIBA and a number of insurance respondents felt few properties are ‘uninsurable’ as they noted home owners should be able to take action to reduce their

levels of risk. The APPG agreed with this viewpoint. Opinion at the stakeholder events was divided, with many highlighting the difficulty in defining 'uninsurable'.

Other exceptions

The majority of respondents did not suggest any further exceptions should apply. A small number of insurers and local authorities felt customers who were unwilling to put flood measures in places should be excluded.

A number of respondents to the consultation on the draft Water Bill clauses felt that any exclusions should be set out on the face of the Bill.

Response

Any Flood Re exemptions will be set out in secondary legislation ('the scheme') which will be designated in due course by the Secretary of State. This will allow future flexibility for any changes or adjustments.

Band H Properties (and their equivalents in the Devolved Administrations)

We agree with the view expressed by many respondents that Flood Re support should be targeted towards lower income households. Our analysis suggests that, relative to other bands, a move to risk reflective pricing would have a limited impact on affordability of a combined insurance policy for Band H households (and their equivalents in the Devolved Administrations). Including Band H properties would also increase the costs of Flood Re overall, which could result in a reduction in the benefits to households in lower Council Tax bands, or an increase in the levy for all other households.

Having considered the strength of support for the exclusion of Band H properties in the public consultation, and at the various stakeholder events, Government therefore remains of the view that Band H properties (and their equivalents in the Devolved Administrations) should be excluded from Flood Re.

Properties built since 2009

We note the diversity of views on this particular topic and have considered the case for an alternative date. We remain strongly of the view that a cut-off date is needed, to maintain

the signal to planning authorities that all development must be appropriate and resilient to flooding. On the basis of our current understanding of flood risk and to maintain consistency with the Statement of Principles, we still believe that the 1 January 2009 cut-off date is appropriate. Strong national planning policies were in place before then, steering properties away from areas at highest risk.

“Genuinely uninsurable” properties

Government recognises that including properties at very high level of flood risk could provide disproportional benefits to a very small number of households. We therefore agree with the desire of the majority of respondents to exclude those properties where flooding is expected and insurance may be inappropriate.

However, finding a definition for ‘genuinely uninsurable’ properties is a complex matter. We have been working closely with the ABI to develop a solution, and have agreed that given there is currently no clear way of identifying properties at very high risk of flooding, as was reflected by responses to the consultation, Flood Re itself should build up data on ‘genuinely uninsurable’ properties over time. The data would then be used to assess the impact such properties have on Flood Re and develop rules on imposing restrictions which could include insisting on resilient repairs, higher premiums or excesses, or in the most extreme cases exclusion from Flood Re.

Flood Re’s exposure to large losses and indicative levy (Questions 13 and 14)

The consultation asked for comments on the proposed way of managing Flood Re’s exposure to large losses and whether a levy of around £10.50 per UK household is acceptable to help address the problem of securing affordable flood insurance for high risk households.

Exposure to large losses

Many respondents believed that greater clarity was needed in the event of Flood Re’s annual losses exceeding the 1 in 200 year loss scenario. This would be the total value of claims from households reinsured through Flood Re that, during the course of a year, actuaries would not expect to be exceeded in 99.5% of years (or in other words, are 99.5%

confident that the limit wouldn't be exceeded in any one year). It is important to note that this is not the same as a 1:200 year flood event. The ABI and most insurance companies felt that Government should have 'primary responsibility' for any losses above the 1:200 loss scenario level. The Council of Mortgage Lenders suggested that reinsurance should be purchased to cover this risk.

The APPG noted that a 1 in 200 loss scenario would be a major national disaster, requiring a co-ordinated national response and considerable Government money to support a range of activities. The Group felt Government needed to be clear on its role in these circumstances. BIBA and the APPG believed there was a risk of a gap of £100m between income collected from Flood Re and the reinsurance starting level and felt clarity was needed on how this might be funded.

Respondents to the consultation on the draft Water Bill clauses suggested that more detail on the funding arrangements for large scale losses should be included on the face of the Bill.

Indicative levy

The majority of respondents to the public consultation supported the indicative level of the levy (£10.50 per household policy) with many respondents suggesting the level of the levy should be regularly reviewed. Some insurance brokers felt the levy needed to be higher in order to cover Flood Re's costs.

The National Flood Forum, Scottish Flood Forum and the Joseph Rowntree Foundation (JRF) suggested increasing the levy to improve affordability for householders who fall within the lower Council Tax bands. JRF also felt the subsidy for higher Council Tax bands could be decreased.

Some respondents to the consultation on the draft Water Bill clauses felt any properties at risk of flooding which are excluded from Flood Re (e.g. the proposal for Band H properties to be excluded) should not be asked to contribute towards the levy.

Response

The Government continues to believe that the MOU published in June sets out a clear process for what should happen in the unlikely event of Flood Re's losses exceeding a

1:200 year loss scenario. We note that the ABI estimate that this would mean flooding which was six times worse than that experienced in 2007.

In the event of claims from households reinsured through Flood Re being in excess of Flood Re's limit, the Government would work with Flood Re and the insurance industry to decide how any available resources should be distributed to households reinsured through Flood Re.

An incident of this magnitude is likely to be a major national emergency and, as at present, would inevitably entail a coordinated UK Government response.

Any insurance policies that are not eligible for support under Flood Re because they have been classified as commercial will not be expected to contribute to its costs. All domestic insurance policies would be subject to the Flood Re levy to ensure a straightforward approach across the sector.

Flood Insurance Obligation

Does the Flood Insurance Obligation meet the policy objective and what factors should be taken into account ahead of any decision on whether or not to introduce the Obligation? (Questions 7 and 16)

The majority of respondents provided support for the Flood Insurance Obligation, although many noted that lack of support from the insurance industry could be a barrier to its effective implementation. The majority of attendees at the EA/Defra stakeholder forum supported the need for the Obligation as a secondary option to Flood Re (in the event that Flood Re proved to be unworkable and pricing under a free market was unacceptable). However, there was a diverse range of opinion at the other events.

The ABI and insurance companies were generally unsupportive of the Obligation, although insurance broker respondents were more favourable. Concerns raised include: less certainty on the affordability of insurance premiums; the potential for insurers to withdraw from the market to avoid the obligation, potentially restricting customer choice/competition; inconsistency with other financial services legislation; and likely legal challenge from the

industry. Respondents from areas with fewer properties at high risk also had more concern about the potential costs. The APPG felt that clarity was needed on the circumstances under which Government would introduce a Flood Insurance Obligation.

A limited number of suggestions were provided on possible factors which should be taken into account ahead of any decision on whether or not to introduce the Flood Insurance Obligation. The Joseph Rowntree Foundation suggested the long term sustainability of the proposals, accessibility and affordability for households and social justice should be considered. Individuals, community groups at risk of flooding and local authorities felt that the register of properties at higher risk for the Flood Insurance Obligation should be accurate.

Response

The Government has carefully considered the range of views expressed on the Flood Insurance Obligation during the public consultation. While Flood Re remains the Government's preferred approach, we continue to believe that the Obligation is an important part of our overall policy framework. Taking the powers to allow us to implement the Obligation, if necessary, will provide reassurance to households at high flood risk that the question of affordable flood insurance will be tackled one way or the other.

While recognising the views expressed during the consultation, we are committed to working with the insurance industry and others to design the detail of the Flood Insurance Obligation scheme, should it be required, so that it would work with the market as far as possible and in the interests of customers. As set out earlier, the Government would only introduce the Flood Insurance Obligation if Flood Re proved unworkable at any stage or would not deliver our goals, and if pricing under a free market proved unacceptable.

The UK has a billion pound, world-leading, insurance industry with the capacity to deliver widely available and affordable flood insurance. Domestic property insurance is a profitable part of the market. In this context, we believe the risk of insurers withdrawing from the market in order to avoid compliance with the Obligation is minimal and consumers will continue to be able to benefit from the advantages of a competitive market. New entrants to the market will also be exempt until they reach a certain size, ensuring continued market renewal and further consumer choice.

As set out in the Impact Assessment, there would be less certainty of the price householders would pay for policies under the Flood Insurance Obligation than under Flood Re. However, competitive pressures should ensure that all but a minority of households at the highest risk should continue to be able to access flood insurance at an affordable rate.

Exemptions from the Flood Insurance Obligation (Question 17)

The consultation asked whether the Secretary of State should have the power to exempt some firms operating in the UK domestic insurance market from the Obligation, e.g. those with market share below a *de minimis* level.

Of those who answered this question, the majority agreed with the proposal to provide the Secretary of State with a power to exempt some insurance firms from the Obligation. However, insurance industry respondents generally felt there should be a level playing field where all insurers are required to meet the Obligation. It was commented that exemptions could result in unintended consequences, e.g. companies finding ways to avoid the obligation, and that it could create a disincentive to companies developing smaller accounts. The APPG also raised concerns that insurers might seek to take advantage of any exemption, leaving the remaining market picking up a larger share of high risk properties.

Some respondents to the consultation on the draft Water Bill clauses felt more clarity was needed on how any *de minimis* threshold would be set and what it would be.

Response

The power to exempt some insurers from the obligation is important to ensure the policy is a proportionate measure. We therefore intend to retain the power to exempt some firms.

It would not be appropriate to set the *de minimis* threshold or specify a comprehensive list of exemptions in primary legislation. This is because flexibility is needed to react to changes in the size and form of the insurance market over the intended lifetime of the policy. We would consult further on the detailed proposals for exemptions before bringing

forward any secondary legislation. We agree that any *de minimis* threshold or other exemptions would need to be set in a way which could not be taken advantage of.

The creation of a register of properties at higher flood risk and the role of the Environment Agency (Question 19)

There was strong support for the Environment Agency to be granted powers to act as a 'lead administrator', working with the Devolved Administrations to compile a UK-wide register that lists by address each domestic property at higher risk of flooding.

This was echoed at the EA/Defra stakeholder forum. The APPG agreed with the proposal and felt the data should be freely available to the insurance industry and policyholders.

However, a number of respondents felt that the Environment Agency (and their counterparts in the Devolved Administrations) would require additional resource in order to carry out this function effectively. Some concern was raised that this should not be diverted from flood and coastal erosion risk management investment. It was also felt that a wide range of experts should be involved in the development of the register. A number of questions were also raised about how the data would be made available to insurers and the public; the accuracy of current flood risk maps; how higher risk would be defined; and how frequently the register would be updated. Some respondents also raised concerns about possible 'property blight'. In its response to the consultation on the draft clauses, BIBA also suggested that householders should not be able to opt-out of the register.

Some respondents to the consultation on the draft clauses felt more detail is required on how targets for the number of policies in respect of higher risk properties that must be insured will be set or imposed.

Response

Flood risk data has improved in recent years, and in England the Environment Agency has an on-going programme of work to improve its data. We are working closely with the Environment Agency to understand any additional work that might be necessary to make existing national data in England fit for the purposes of creating a register, should it be required. The Government is also working closely with the Scottish Environment Protection

Agency, Natural Resources Wales and the Department of Agriculture and Rural Development in Northern Ireland to understand any work that would be needed to ensure their data was also fit for purpose and to agree a UK-wide definition of 'higher risk'.

We note the views expressed during the consultation about whether additional resources should be provided to the Environment Agency and its counterparts in the Devolved Administrations to enable them to carry out any additional functions. We are working closely with both the Environment Agency and the devolved governments to ensure that pressures on budgets are kept to a minimum, should the register be required.

Government recognises the expertise and knowledge of insurers, Lead Local Flood Authorities (LLFAs) and other key partners and has given careful consideration to how they should be involved in the development of the register without creating new burdens. We envisage working closely with the industry, LLFAs and others. This will help ensure the register is robust and secure the confidence of those bodies relying on the data it provides.

We would consult further on the detailed issues in the preparation of secondary legislation (for example, how frequently the register would be updated).

The register would be based on information which is already in the public domain. For England and Wales, the Environment Agency already enables homeowners and prospective buyers to enter their postcode to check their flood risk. Given this, we do not agree that the creation of the register will 'blight' properties in areas of high flood risk where the real reason for any impact on property prices is the property's higher flood risk and the associated difficulty of securing affordable insurance. The intention behind the register is to address this challenge by identifying these households for insurers and requiring them to provide cover to meet their target, through the Obligation. Property owners who continue to be concerned about the impact of the register will be able to opt out automatically.

Householders and prospective buyers or tenants will have a legitimate interest in finding out whether a given property is likely to benefit from competitively priced insurance through the Flood Insurance Obligation, and as such the current proposal is to make the register fully searchable at address level. Anyone would be able to enter an address in the UK, and find out whether the property was included on the register of properties covered by the Obligation at a given point in time.

Ensuring compliance with the Flood Insurance Obligation (Questions 20, 21, 22 and 23)

The consultation proposed that the Secretary of State or relevant Minister be conferred with the power to designate a particular body or bodies to monitor and enforce insurance companies' compliance with their obligation. The majority of respondents (including the APPG) agreed with the proposed duties of the regulator.

The consultation also set out a number of possible approaches to supervision of the Flood Insurance Obligation, ranging from a regulated regime, where a regulator reviews insurers' compliance, to a self-regulated regime, where insurers monitor their own compliance. However, there was no clear consensus on the approach to supervising compliance with a large number of respondents choosing not to answer this question. Comments at the stakeholder events were also diverse.

The audited approach option received the largest amount of support, with respondents stating this was the most transparent approach. The regulated approach received the second largest amount of support; mainly from parish councils; local authorities; and individuals and groups. The main comments focused on the need for a regulatory regime to deliver public confidence. A self-regulated administrative regime received support from the insurance industry only.

The consultation also sought views on a number of options for imposing sanctions on insurance companies who failed to either fulfil their quota of insurance policies for households in high flood risk areas or to provide evidence and records of traded obligation credits. Options ranged from a fixed enforcement regime through to a fully discretionary regime.

There was also no clear consensus on the approach to imposing sanctions, with a large number of respondents choosing not to answer this question. Although the fixed regime and hybrid regime options secured more support than the fully discretionary scheme option.

However, most respondents (including the APPG) were in agreement that the Financial Conduct Authority (FCA) should be the lead body for ensuring compliance.

Response

The low level of response to this question did not provide clear guidance on the preferred approach to supervising compliance with the Flood Insurance Obligation.

The Government agrees that the FCA represents the most appropriate lead authority for monitoring conduct in relation to the Obligation, given its existing financial services expertise and its UK-wide jurisdiction. The Government is therefore working with the FCA to develop a robust and proportionate compliance and enforcement regime that fits with its existing powers and in which consumers can have confidence. We will also be working with the FCA to ensure that its information gathering and investigative powers meet the requirements of the Obligation.

4. Government response to more detailed issues raised in the consultation on the draft Water Bill clauses

Flood Re

Clause 2: Scheme administrator

Some respondents felt that Flood Re Ltd and the administrator should be established as two separate entities.

Response

We have carefully examined the suggestion to establish Flood Re Ltd and the administrator as separate entities, and have concluded that this is not desirable as it would make the lines of accountability to Parliament less clear.

Clause 4: Scheme administration

We received a range of views on whether the list of issues which Flood Re may need to have regard to in discharging its duties (included in clause 4(2)) should be more or less prescriptive. Some respondents (non-insurers) requested that this should be changed to “will require”, others (insurers) said this list should be removed to give the administrator greater flexibility.

It was also suggested that a new objective should be added to the objectives included in clause 4 (2) for Flood Re to cooperate with public authorities, including local authorities. It was also felt by some that the body administering Flood Re should be representative of the broader population as well as insurers, and that this should be reflected in representation on the body.

It was suggested that provision included in clause 4 (5) about the disclosure of information under Flood Re should include a power for disclosure of information on pricing policies and risk assessments by insurers.

Response

On the concern over prescriptive regulations specifying how the scheme may discharge its functions, we proposed that these regulations will be permissive and will not set out an exhaustive list. The regulations are intended to clarify aspects of the conduct that will be expected of Flood Re as an organisation that will manage public money; they are needed to assure Parliament that the scheme will operate lawfully and properly.

Flood Re will not directly manage the process of claims in the event of a flood; customers will deal directly with their insurer for any claims and then the insurer will recoup the funds from Flood Re. We therefore do not feel that it would be appropriate to specify a duty to co-operate with public authorities.

At this stage, we do not envisage that Flood Re will have external representation because it has been set up to be run as a private sector reinsurance company. Its appointments will be made in line with company law requirements and as a financial services body, be subject to approval by the Prudential Regulation Authority.

Requiring insurers to disclose their pricing strategies or the details of their flood risk assessments would mean asking them to disclose commercially sensitive information. We believe that competition between insurers will help to ensure that policies ceded to Flood Re are genuinely at risk. Anyone that feels they do not need to be in Flood Re will be able to shop around to make sure they have the best deal.

Flood Insurance Obligation

Clause 5: The Flood Insurance Obligation

Some responses requested more clarity on the criteria that would be taken into account in deciding whether the Flood Insurance Obligation would be implemented. Further comments suggested that both sets of powers, Flood Re and the Obligation, should not co-exist at the same time.

Response

It is difficult to define in advance the exact circumstances in which Ministers may decide that there is a need to introduce the Flood Insurance Obligation if Flood Re has not proved able to meet the policy objective and a free market has not led to affordable insurance for those at high flood risk. In addition, it is also highly likely that the household insurance market will evolve significantly in the UK over the next 25 years. We therefore do not believe it is possible to set out these circumstances in primary legislation.

If the Obligation was implemented at the same time that Flood Re was in the process of closing down, we may need to use the powers contained in both policy options for a short while. Doing so would ensure that customers were being provided with effective insurance cover during any changeover.

Clause 12: Interpretation

Questions were raised about how legal definitions would be developed. It was also suggested that key definitions, e.g. high flood risk, flood, household premises, should be included on the face of the Bill rather than in secondary legislation.

Response

We appreciate the importance of providing certainty on the scope of key definitions but setting out the definitions in regulations allows for flexibility over the life of the scheme. There will be the opportunity for public consultation on the regulations in due course.

We intend that 'relevant insurer' will apply to all insurers authorised to write property insurance in the UK. This will include both domestic firms and those European Economic Area authorised firms operating as 'passporting' insurers in the UK (with permission to write property insurance).

5. Next steps

The Water Bill was introduced to Parliament on 27 June 2013. The Bill will soon be debated in the House of Commons and we plan to replace the current placeholder clause

with full clauses at Committee stage of the Bill. Further details of all the stages of the passage of the Bill, including links to the debates can be found on the Parliament website: <http://services.parliament.uk/bills/2013-14/water/stages.html>.

Annex A: Statistical analysis of responses to the public consultation

Policy Objectives

Question 1: Do you have any evidence of small businesses experiencing difficulty with the availability and affordability of property insurance due to the risk of flooding?

Response	%
Yes	28.19
No	57.72
Not answered	14.09

Question 2: Do you agree with the Government's policy objective for flood insurance?

Response	%
Yes	67.79
No	21.48
Not answered	10.74

Question 3: Do you agree with the approach taken to analysing the different potential solutions in the Impact Assessment?

Response	%
Yes	61.07
No	17.45
Not answered	21.48

Question 4: Do you agree with the evidence presented in the Impact Assessment?

Response	%
Yes	48.99
No	18.79
Not answered	32.21

Question 5: Do you have any further evidence which has not been considered in the Impact Assessment?

Response	%
Yes	21.48
No	51.68
Not answered	26.85

Question 6: Do you support the Government's proposed approach?

Response	%
Yes	67.11
No	20.13
Not answered	12.75

Question 7: If the remaining challenges associated with Flood Re prove too difficult to overcome, what factors do you think should be taken into account ahead of any decision on whether or not to introduce the Flood Insurance Obligation?

A statistical analysis is not available for this question.

Flood Re

Question 8: Do you agree that setting the eligibility thresholds according to Council Tax bands (or their equivalents in the Devolved Administrations) will help ensure Flood Re support is targeted towards those households who need it most, without requiring significant administration?

Response	%
Yes	63.76
No	20.81
Not answered	15.44

Question 9: Do you have any views on the proposed initial “eligibility thresholds” within Flood Re (table 1 in the 'more information' box), which would effectively cap the technical flood risk premium paid by high risk households?

A statistical analysis is not available for this question.

Question 10: Do you agree that the following should be excluded from Flood Re?

a) Band H properties

Response	%
Yes	44.97
No	34.23
Not answered	20.81

b) New homes built after January 2009

Response	%
Yes	48.99
No	33.56
Not answered	17.45

c) Genuinely uninsurable properties

Response	%
Yes	51.68
No	24.83
Not answered	23.49

If you answered yes to c) how would you define genuinely uninsurable properties in a consistent way that insurance companies can apply?

A statistical analysis is not available for this question.

Question 11: Should other exemptions also apply?

A statistical analysis is not available for this question.

Question 12: Do you agree that Flood Re should apply to both buildings and contents insurance?

Response	%
Yes	77.85
No	8.73
Not answered	13.42

Question 13: Do you have any comments on the proposed way of managing Flood Re's exposure to large losses?

A statistical analysis is not available for this question.

Question 14: Do you think a levy equating to around £10.50 per UK household, which the ABI estimate is equivalent to the current cross-subsidy, is acceptable to help address the problem of securing affordable flood insurance for high risk households?

Response	%
Yes	65.10
No	21.48
Not answered	13.42

Question 15: Do you agree that Flood Re will secure the availability and affordability of household flood insurance in the UK?

Response	%
Yes	62.42
No	18.12
Not answered	19.46

Flood Insurance Obligation

Question 16: Do you agree that the Flood Insurance Obligation has the potential to meet the policy objective?

Response	%
Yes	63.76
No	18.79
Not answered	17.45

Question 17: Do you agree that the Secretary of State should have the power to exempt some firms operating in the UK domestic insurance market from the Obligation, e.g. those with market share below a de minimis?

Response	%
Yes	42.95
No	31.54
Not answered	25.50

Question 18: Do you agree that at this stage Ministers should have the option of applying the Obligation to both buildings and contents insurance?

Response	%
Yes	61.74
No	14.77
Not answered	23.49

Question 19: Do you agree that the Environment Agency should be granted powers to act as a 'lead administrator', working with the Devolved Administrations to compile a UK-wide register that lists by address each domestic property at high risk of flooding?

Response	%
Yes	69.13
No	12.75
Not answered	18.12

Question 20: Do you agree with the broad duties envisaged for the regulator?

Response	%
Yes	60.40
No	10.07
Not answered	29.53

Question 21: Which of the approaches to supervising compliance with the Obligation do you believe is best suited to delivering the policy objective whilst minimising the burden on businesses and consumers?

Response	%
Audited regime	30.20
Self-regulated administrative regime	6.04
Regulated approach to supervision	24.83
Not answered	38.93

Question 22: Which of the approaches to imposing sanctions for non-compliance with the Obligation do you believe is best suited to delivering the policy objective whilst minimising the burden on businesses and consumers?

Response	%
Fixed regime	25.50
Fully discretionary scheme	10.07
Hybrid regime	26.17
Not answered	38.26

Question 23: Do you agree with our preference that the Financial Conduct Authority should supervise compliance with the obligation, and be responsible for taking regulatory action against insurers who fail to meet their obligation, or should it be the Environment Agency?

Response	%
Financial Conduct Authority	55.03
Environment Agency	14.77
Not answered	30.20

Annex B: Respondents to the public consultation

All Party Parliamentary Group on Insurance and Financial Services
Aon UK Ltd
Argyll Environmental Ltd.
Association of British Insurers (ABI)
Association of Drainage Authorities
Aviva
AXA UK
Ballymena Borough Council (Environmental Health Department)
Barton Community Led Plan Group
Bedford Group of Internal Drainage Boards
Belfast City Council
Borrowdale Parish Council
Bracknell Forest Council
British Insurance Brokers Association (BIBA)
British Property Federation
British Red Cross
Building Societies Association
Calderdale Council
Flood Risk Management Wales
Chartered Institute of Water and Environmental Management
Chartered Insurance Institute Broking Faculty
Chew Valley Flood Forum

City Property Association
Cockermouth and District Chamber of Trade
Consumer Council
Community Resilience UK
Council of Mortgage Lenders
Covéa Insurance
Direct Line Group
Dundee City Council
East Riding of Yorkshire Council
Edzell Flood Group
Egremont Town Council
Fenland District Council
Frinton Residents' Association
Gloucestershire County Council
Grantham Research Institute on Climate Change and the Environment, London School of Economics and Political Science
Green Heat Ltd.
Hampshire Association of Local Councils
Hebden Royd Town Council
Individual householders
Institute and Faculty of Actuaries
Institution of Civil Engineers
Joseph Rowntree Foundation
Keswick Town Council
Kettle District Flood Resilience Group

UNCLASSIFIED

Kingston Seymour Parish Council
Kirkburn Parish Council
Knightsure Insurance
Landmark Information Group
Larne Borough Council
Law Society
Leitrim Consulting
Lloyds Banking Group
Lloyd's of London
Loddon Valley Residents Association
London Borough of Hammersmith and Fulham
London Borough of Hillingdon
London Councils
Long Ashton Parish Council
Longparish Parish Council
Lostwithiel Flood Management Group
Marsh Ltd.
Mary Dhonau Associates
Member of Parliament for Belfast East
Morpeth Flood Action Group
National Flood Forum
National Farmers Union
Newry and Mourne District Council
Newtownabbey Borough Council

North East Lincolnshire Council
North Somerset Flood Risk Action Group
Oldbury on Severn Parish Council
Omagh District Council
Ousby Parish Council
Oxford City Council (on behalf of Oxford Area Flood Partnership)
Oxford Flood Alliance
Pennine Water Group, University of Sheffield
Peter Brett Associates
Peter Frew Associates
Practical Law Property
Prospect Insurance Brokers
Regional Flood and Coastal Committee - Anglia (Eastern)
Regional Flood and Coastal Committee - Anglia (Central)
Regional Flood and Coastal Committee - North West
Regional Flood and Coastal Committee - Thames
Rowsell Partnership Ltd.
Royal Haskoning DHV
Royal Institution of Chartered Surveyors
Royal Yachting Association
RSA Insurance Group
Saxon Paddock Residents Association
Scottish Environment Protection Agency
Scottish Flood Forum

Shropshire Council
South Oxford Flood Action Group
Stanwix Rural Parish Council
Surrey County Council
Thatcham Flood Forum
Thrupton Parish Council
West Felpham Flood Action Assembly
Workington Flood Action Group
Wraysbury Parish Council
Wychavon District Council
Yatton Parish Council
Zurich Insurance Plc.

Annex C: Respondents to the consultation on the draft Water Bill clauses

ABI
BIBA
British Property Federation
Caldergate Metropolitan Borough Council
Chartered Insurance Institute's New Generation Broking Faculty Group
Chew Valley Flood Forum
Council of Mortgage Lenders
Hertfordshire County Council
Institute and Faculty of Actuaries
Insurance Law Research Group, Southampton Law School,
Lawrence Graham LLP
Lloyd's of London
London Councils
London School of Economics
Private individuals
Residential Landlord Association