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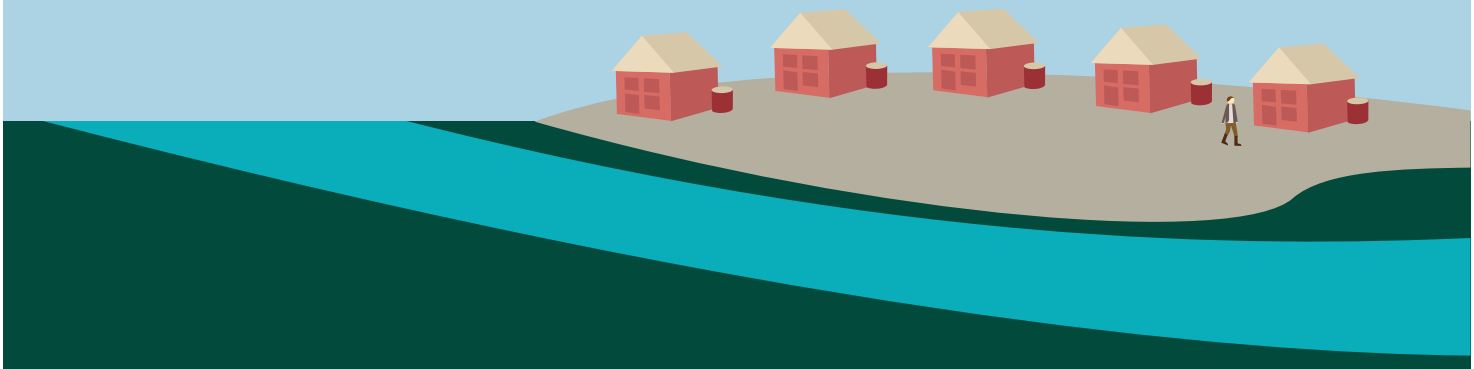
INSURANCE AND FLOOD RISK



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Insurance is important to protect your property and belongings. If your property has suffered from flood damage in the past, if there is a history of flooding in your neighbourhood, or you are within an identified flood risk area, it can sometimes be difficult to find insurance cover.

Usually in the UK flood insurance forms part of both buildings and contents insurance policies.

Who needs flood insurance?

Homes and businesses that are not at risk of direct flooding from rivers could still be affected by surface or groundwater flooding. For more information visit: http://www.gov.uk/government/organisations/environment-agency

Homes and businesses that are not at risk of direct flooding from rivers could still be affected by surface or groundwater flooding. To check your flood risk visit: http://www.oxfordshirefloodtoolkit.com/risk/

What will insurance pay for?

If a property is flooded, buildings insurance usually covers the cost of:

- Drying out
- Repairing and restoring the property itself
- Fixtures and fittings
- Removing debris
- Professional fees (Legal, Architects, Surveyors)
- Alternative accommodation.

CONTENTS INSURANCE usually covers the cost of repair or replacement of damaged furniture, equipment and other belongings.

Business policies may also include income protection insurance. As individual insurance policies can vary, it is a good idea to check the exact details of what is covered very carefully.

Availability of flood cover

The UK insurance market is extremely competitive so several quotes should always be sought. Insurers will assess both the likelihood and severity of flooding and base their premiums on this. Insurers do not guarantee to provide cover in all circumstances, as some insurers may decide the risks posed by some properties are too high.

An insurance company may ask you for an Insurance Related Request Letter if your property is at risk of flooding. The insurer will use the letter to decide if they will insure you and how much it will cost. The letter states:

- if your property is in a flood risk area
- how likely the area is to flood
- the protection given by local flood defences
- if there are any planned flood defences

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You will get the letter within 20 working days. It's free for individuals and £60 for businesses. To get this letter contact the Environment Agency or visit their website to learn more.
Email: **enquiries@environment-agency.gov.uk**
Tel: 03708 506 506
Website: **https://www.gov.uk/prepare-for-a-flood/get-insurance**

Alternative insurance sources

If it proves difficult to obtain affordable insurance cover from the mainstream companies, there are specialist brokers who can be approached to arrange insurance for higher risk properties.

The British Insurance Brokers' Association (BIBA) 'Find a Broker' helpline can help with this. Tel 0870 950 1790 or visit: **www.biba.org.uk**

A leaflet published by Defra 'Obtaining Flood insurance in High Risk Areas' is available here: **https://www.gov.uk/government/publications/obtaining-flood-insurance-in-high-risk-areas**

The National Flood Forum also provides independent advice on how to obtain flood risk insurance. Tel: 01299 403055 or visit: **nationalfloodforum.org.uk/**

Reducing flood damage

There are many ways to reduce the impact a flood can have. These include:

- Preparing a household flood plan
- Contributing to a community flood plan
- Sign up to the free 'Floodline Warnings Direct' service for river flooding (if available for the area)
- Flood resistance measures (designed to stop water getting in)
- Flood resilience measures (designed to limit the damage done by flood water and ease the clean up process).

'Flood Risk Mitigation Surveys' can be undertaken to advise which method(s) are best for a particular property. Once the measures are in place, a follow-up report will confirm any equipment has been correctly fitted. This helps an insurer to understand the revised risk level and they may reduce premiums as a result.

Making a claim

Insurers should be contacted as soon as possible after a flood, and most companies have a 24-hour helpline. If the damage is serious enough, the insurance company will appoint a loss adjuster, who is an expert paid by the insurer but independent of them. This person should make contact within 24 hours, and will usually visit the affected property within three days (though if flooding is widespread this may take longer). They will draw up a timetable for the work needed, and advise who will be doing what at each stage.

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Flood Re

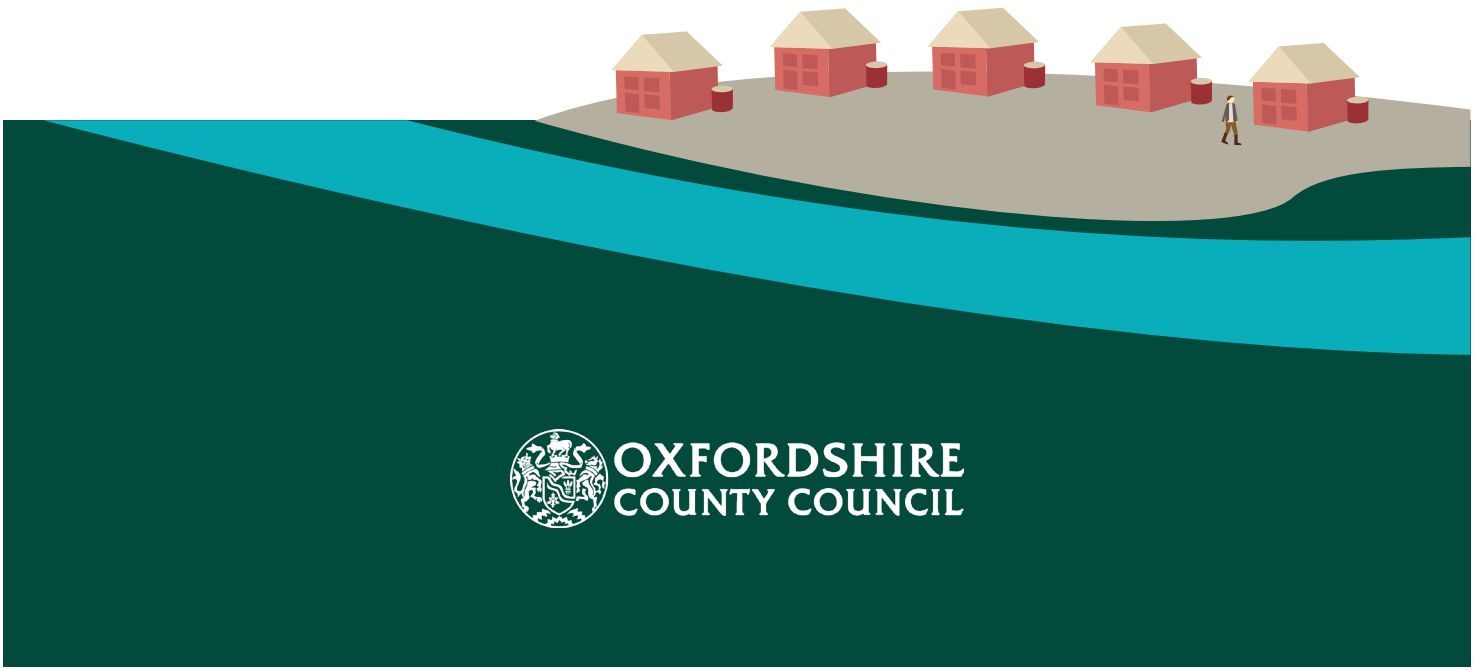
Flood Re is a re-insurance Scheme that makes flood cover more widely available and affordable as part of your home insurance. Flood Re helps households at the highest risk of flooding. We also provide information about taking action to reduce flood risk.

Flood Re works with insurers behind the scenes. When you buy home insurance cover, your insurer can choose to pass the flood risk element of your policy to Flood Re for a fixed price. If you make a valid claim for flooding, your insurer will pay the claim. Later on, Flood Re will reimburse that insurer from the Flood Re fund. In short, you buy home insurance in the usual way. Flood Re cover the flood risk and that helps to keep your premiums down.

To check eligibility to the scheme and for more information, visit the Flood Re website: **http://www.floodre.co.uk**

Further Information and Contacts

Further information is available in another leaflet in this series: number 12 'How to protect your home from flooding':
https://www.oxfordshirefloodtoolkit.com/guides/protect-your-home/



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