

International Flood Insurance and Recovery Provision: Report on project by Sally Priest

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Review of international insurance provision

- Dr Sally Priest, Flood Hazard Research Centre, Middlesex University
- Research focus on natural events, particularly floods and storms
- Covers UK, Americas, Europe, Australia, Japan

Insurance & Community Resilience

- Assist recovery from adverse natural events
- Influence mitigation behaviour
- Share the burden

Promoting Resilience

- Insurance providers unable to assess and price flood risk
- Risk reduction and adaptation approaches:
 - Incentivise the uptake of flood mitigation and loss reduction measures through premiums and deductibles
 - Special conditions on policy holders e.g. compliance with special building standard
 - Excluding at risk properties

Insurance, Recovery and Resilience

- Replacement, NOT resilience increase
- Insurer concerns about costs of resilience
- Poor awareness of and resistance by property owners about resilience measures
- Lack of efficacy evidence for many resilience measures

Refocus on Resilience

- Few examples of insurance enhancing resilience
- Most effective where insurance is compulsory
- Insurers expect government and community (not householder) scale risk reduction measures
- Some mitigation approaches such as raising the house and relocation may be unsuitable for older people, yet these are used in insurance incentives