



Flood resilience
– the challenge of
build back better

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Where we are now?

It is widely accepted that climate change is bringing with it an increased flood risk. There is now a realisation that we are unable to fully protect homes and businesses by building flood defences – other solutions are needed. Property flood resilience (PFR) is becoming an increasingly important strategy to address this and insurers have a unique opportunity to help tackle the problem by adopting a Build Back Better approach with their partners.

Current investment in PFR is via three mechanisms:

- Environment Agency implementing PFR where flood defences are not a viable solution
- Improvements after flooding where there is policy cover or private investment
- Government grants after certain large flood events

However, from April 2022 Flood Re can now pay out on claims where the risk falls to them and include an amount for PFR repairs, up to a value of £10,000 above the cost of like for like reinstatement. Those insurers already signed up to this new initiative with Flood Re will be in a position to better support their customers who are affected by flooding. This is a real step forward in helping better protect customers against future flood damage. Other insurers are in discussions with Flood Re about implementation of this initiative.

Sedgwick have been supporting the creation of a comprehensive PFR eco-system that has been developing over the last few years. This includes focus on creation of a National flood resilience strategy/best practice and standards/training and supporting evidence.

Challenges to overcome

The launch of Build Back Better in April 2022 will significantly increase the demand for PFR and the market will take time to react, leaving a significant challenge for insurers. This will be most evident in the following areas:

- The lack of trained surveyors
- Mainstream contractors having a very limited knowledge of property flood resilience measures and best practice

- The limited number of contractors innovating and producing flood resilience products
- The lack of knowledge about flood resilience amongst key stakeholders

How will this impact the claims process

Flood resilience is not traditionally seen as an integral part of the insurance reinstatement process, hence its introduction could be disruptive to insurers, their supply chains and their ultimately their customers unless we look at this collaboratively now.

Practical problems to be overcome:

- Restorers/contractors are not always knowledgeable about PFR so resilient materials are often stripped out in error
- PFR needs to be integrated into the supply chain processes and become standard operating procedures for flood repairs
- Insurers and their supply chains need to have the training and knowledge to effectively communicate PFR information with customers
- Insurers and their supply chain need the skills and capacity to deliver resilience surveys
- Ensure that appropriate advice or recommendations are given to customers about resilience products

What is flood resilience?

Flood resilience is about being able to prepare/respond and recover from a flood event and can be explained simply as being a combination of resistance and recoverability:

Resistance – the use of materials, products and approaches to manage water entry into a building as it relates to water exclusion (ie keeping the water out)

Recoverability – the use of materials, products and approaches that prevent a building or business from excessive flood damage, enabling a quicker recovery

How can Sedgwick help?

Sedgwick have the necessary credentials and expertise in this area to support all insurers and their customers to optimise the benefits of PFR, reducing the future cost of claims, lifecycles and mitigate disruption to customers lives by providing all the components services/expertise needed.

- We have market leading expertise and undertaken research in this area for over six years so can help guide insurers through the process of integration of flood resilience
- Our adjusters and surveyors are trained to give clients and customers advice and support on flood resilience, improving the customer journey
- We have a team of 25 surveyors providing national coverage who have been undertaking flood resilience surveys and repairs for major insurers over last four years, providing a key resource in the market
- Our Resilience Service delivers an approach to claim management and damage restoration, which is based around understanding the fundamental resilience of building materials, combined with the skills of a surveyor, expert in flood resilience to ensure costs and disruption are minimised
- Our repair network contractors are both trained and experienced at integrating flood resilience in the reinstatement process, undertaking the works themselves or in partnership with specialist contractors as appropriate

If you have any questions, Ian Gibbs our National Technical Manager will be pleased to assist.



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Credentials

- **Strategy** – Ian Gibbs, our National Technical Manager is current Vice Chair of DEFRA Flood Resilience round table, co-ordinating body that drives strategic thinking and initiatives in PFR
- **Standards** – Instrumental in the creation of clear standards and guidance – member of the steering committee for the PFR Code of Practice (COP), working as part of the team updating the British Standard for Flood Resilience
- **Training** – CIWEM flood resilience training scheme, the gold standard in PFR training – we're part of the authoring and delivery team
- **Driving best practice** – Environment Agency Pathfinder Projects a £3 million initiative driving education, awareness, data collection and best practice – member of the steering committee
- **Scoring mechanism** – Project has been created by the round table to identify how we can best value/score flood resilience – contributed to set up and involved in project
- **CIWEM community and practice** – This initiative to create a place to go to drive education and best practice – involved in original concept discussion



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