

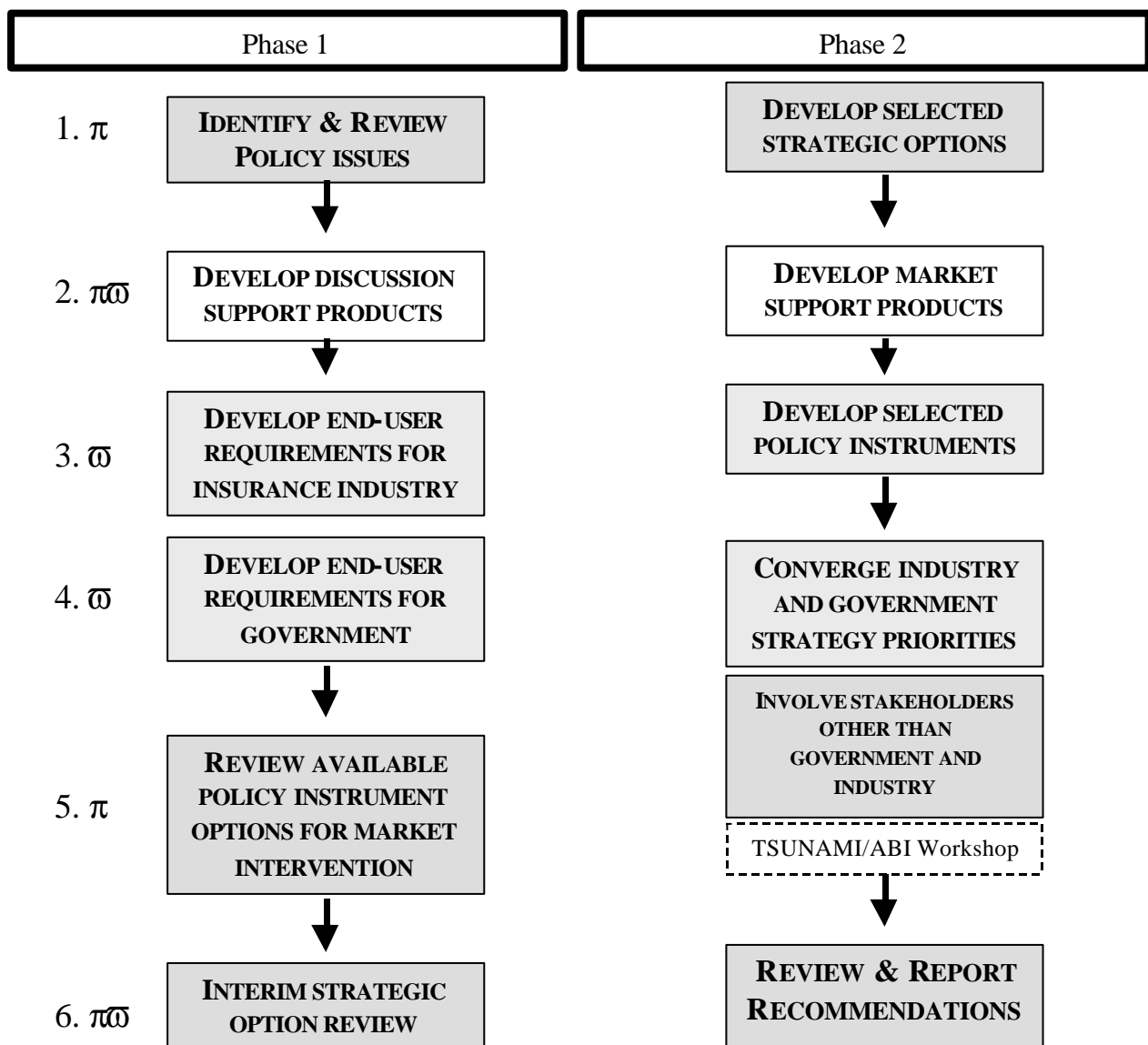
**PROJECT PLANNING MEETING****Middlesex University Flood Hazard Research Centre: 11 May 1999**

David Crichton, Lance Garrard, James Orr: TSUNAMI

Colin Green, Edmund Penning-Rowse: Middlesex University

Mike Clark: University of Southampton

It is acknowledged that project planning for the UK Flood Risks Project requires close reference to parallel initiatives in Government and the insurance industry, as well as reflecting the underlying science and technical data issues. Since the primary aim of flood defence (in association with flood insurance) could be seen as being to maximise the overall sustainable economic benefits of floodplain use rather than simply to minimise occasional flood damage, the project must be rooted strongly in politically- and economically-informed strategy. If this strategic review is to contribute significantly to the other current debates on flood insurance and flood defence, it must be scheduled to create a rounded statement with minimum delay, to be followed by further in-depth refinement and prototyping. On this basis, a suggested two-phase structure and schedule is:



## **PHASE 1 Provisional Remit**

It is proposed that each task should be coordinated by a lead institution, provisionally allocated above as  $\pi$  for Middlesex University and  $\omega$  for Southampton University, but both institutions will be involved throughout. It is further suggested that the overall duration for Phase 1 should be 15 months starting 1<sup>st</sup> July 1999 or 1<sup>st</sup> August 1999. Since the need to create a self-contained Phase 1 requires bringing in a full range of strategic and technical reviews, it is assumed that the total cost will be of the order of £50000.

**IDENTIFY & REVIEW POLICY ISSUES:** The purpose, structure and operation of flood insurance. The roles and relationships of government and the insurance industry.

**DEVELOP DISCUSSION SUPPORT MATERIALS:** It is acknowledged that the consultation process will benefit from the availability of professional information products (primarily printed, but also with a supporting Web site). These would be informative background rather than policy prescriptive, so as to avoid biasing the consultations.

**DEVELOP END-USER REQUIREMENTS FOR INSURANCE INDUSTRY:** It is imperative that the TSUNAMI project should address the perceived requirements of the insurance industry, though it is expected to move beyond – and possibly modify – these requirements. This consultation will take place company by company, and may involve an initial meeting to invite open-ended statement of company views followed by a return meeting to discuss company response to preliminary proposals.

**DEVELOP END-USER REQUIREMENTS FOR GOVERNMENT:** It is equally important that the TSUNAMI project should address the perceived preferences and requirements of government, though it is expected to move beyond – and possibly modify – these requirements. It will be important to interpret “government” more widely than simply MAFF plus DETR. This consultation will take place department by department, and may involve an initial meeting to invite open-ended statement of department views followed by a return meeting to discuss departmental response to preliminary proposals.

## **REVIEW AVAILABLE POLICY INSTRUMENT OPTIONS FOR MARKET**

**INTERVENTION:** The insurance industry has already implemented or considered a range of policy instruments through which to influence the flood insurance market. These require review to identify their advantages and disadvantages, and to select key options for further development in Phase 2.

**INTERIM STRATEGIC OPTION REVIEW:** Although the development of integrated strategies for the industry and government is the focus of Phase 2, it is acknowledged that a preliminary review of some strategic packages of policies and mechanisms will serve as an appropriate culmination of Phase 1.

**PRELIMINARY WORKSHOP:** Since it is felt that the end-user consultations will be most effective if they are based on one-to-one contact, the primary role of a preliminary workshop will be to present and discuss the conclusions of Phase 1 and the proposals for Phase 2. Such a workshop might take place under the joint auspices of TSUNAMI and the ABI, and an appropriate timing would be after 10-12 months so as to permit presentation of considered proposals, but still leave time for serious consideration to be given to the outcome of the Workshop. The Workshop would bring together representatives of the insurance industry and government.

MIKE CLARK, UNIVERSITY OF SOUTHAMPTON