



Letter to the Financial Times:

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Sir,

The answer to the question of whether Flood Re alone is a sufficient response by the UK government is glaringly obvious. Of course it is not. ([“Homeowners grapple with problems of floods insurance”](#), February 2.)

Insurance cannot be the solution to the heightened costs and growing risks of flooding. It is simply an attempt to cope with losses that will continue to stack up if more is not done to stem the rising tide. Flood Re has many benefits – not least, it will keep damages from flooding off the public balance sheet. But unless we use insurance to increase flood resilience, the scheme is unlikely to be sustainable.

[New research by the LSE and Oxford university](#) shows that Flood Re will, in fact, struggle to keep flood insurance premiums low in the face of increased flood risk. In its current form, Flood Re will have very little impact on our approach to flood insurance as a nation. The scheme is not designed to shift the behaviour of those that will determine future risk levels: homeowners, national and local governments, developers and insurance companies.

This is a missed opportunity. Neither the government nor the insurance industry should hide behind Flood Re. All it does it buy us time, but not much.

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