

FLOOD RE INSURANCE

How it works

Flood Re is a non profit scheme developed in 2016 by collaboration between insurance companies and the Government, allowing participating insurers to offer 'capped' flood risk premiums to those in flood risk areas.

The Flood Re scheme...

- Helps homeowners to find and access affordable home insurance cover.
- Helps tenants to obtain affordable contents insurance cover.
- Allows insurers to offer an affordable range of policies to homes at risk.

The decision of whether or not to insure a property or contents through the Flood Re scheme ultimately lies with the insurance provider. The Flood Re scheme effectively acts as a central pot of money which is designed to fund the cost of flood related damages in the event of a claim.

In April 2022 Flood Re announced the introduction of the 'Build Back Better' scheme. Participating insurers can now offer reimbursement costs of up to £10,000 over and above the cost of flood repairs and losses to make properties more flood resilient. More information on the 'Build Back Better' scheme can be found here:

www.floodre.co.uk/buildbackbetter/

It is funded from two sources:

- An annual levy contribution paid by all participating insurance companies.
- The cost of the flood risk element of policies offered through the scheme.

Eligibility

To be eligible your home must have been built before the 1st January 2009 (or been built before 1st January 2009 but been demolished and rebuilt), be insured by the individual homeowner (not a company), have a domestic Council Tax band, and be used for private residential purposes. Full details on eligibility criteria can be found at:

www.floodre.co.uk/industry/how-it-works/eligibility/



Image: Mikes-Photography from Pixabay

How are costs capped?

The cost of the excess paid in the event of a claim is capped at £250 across the board, regardless of Council Tax band.

The cost of the flood risk element of policies directly correlates to the Council Tax band of your home and should not increase the overall cost of your premium by more than the value stated in the table below.

Council Tax Band	A	B	C	D	E	F	G	H
Buildings Policy	£131	£131	£146	£166	£197	£258	£333	£915
Contents Policy	£57	£57	£73	£73	£99	£112	£157	£456
Combined Policy	£188	£188	£219	£247	£296	£370	£490	£1371

*Premiums are net **Table correct as of May 2025

The Flood Re scheme will be in operation until 2039, giving time for the Government, Flood Re, insurers and homeowners to reduce the impact of flooding in order to make affordable flood insurance available in the future, after which time flood insurance will return to the free market.

During the transition period to Flood Re closing, there may be some financial incentives for improving your property's resilience and resistance to flooding.

Participating insurance companies:

- Accredited Insurance Europe Limited
- Admiral
- Ageas*
- AIG
- Avantia (HomeProtect)
- Aviva Home Insurance*
- AXA
- Bank of Scotland*
- Barclays
- British Gas
- Chelsea Building Society
- Cherish Insurance Brokers
- Churchill
- Clydesdale Bank
- Covéa Insurance
- Direct Line
- Esure
- First Direct Home Insurance
- Flood Assist
- Halifax*
- Haven Insurance
- Hiscox Home Insurance*
- HSBC Home Insurance
- inet3
- John Lewis Specialist Home Insurance - underwritten by Covéa Insurance
- Leek United Building Society
- Lloyd & Whyte
- LV=*
- Lloyds Bank*
- Marks & Spencer Bank
- More Than
- Nationwide
- Natwest - underwritten by UK Insurance Limited
- NFU Mutual*
- Norwich & Peterborough Building Society
- Nottingham Building Society
- Oak Underwriting
- Ocaso
- Pen Underwriting
- Policy Expert
- Plum Underwriting
- Prestige Underwriting*
- RBS - underwritten by UK Insurance Limited
- RSA Insurance Group*
- Sainsbury's Bank
- Santander Home Insurance - administered and underwritten by Aviva Insurance Limited
- Sheilas' Wheels
- Swiftcover
- The West Brom
- Yorkshire Bank
- Yorkshire Building Society
- Zurich*

* Build Back Better

See the most up to date list at www.floodre.co.uk



HOUSEHOLD FLOOD INSURANCE OPTIONS



If you find that you are unable to gain insurance through the Flood Re scheme, there are other options that you can consider...

Making Flood Insurance More Accessible

Carrying out actions to reduce the impacts of a flood event may make it easier for your property to be accepted by insurers. This could include carrying out a property level flood survey, and installing property flood resilience (PFR) measures. The insurance company may recognise that you are trying to minimise the potential damage of a flood, making you more appealing to insure as you have taken steps to manage your own flood risk.

Tailored Policy Through a Broker

Insurers may offer the option of having a lower premium at the expense of a higher excess in the event of a claim or vice versa. It is important to ensure that you would be able to afford your policy's excess in the worse case scenario. If you are aware of your flood risk and consider the likelihood, severity and impact of a flood event on your home, you can estimate the potential damage costs if a flood event occurred. You can then decide whether it is cost effective to choose a higher premium/excess. It is advisable to use an insurance broker for tailored policies, which you can find through the British Insurance Brokers' Association (BIBA).

Flood Excess Insurance

This involves purchasing a second policy to cover the cost of the excess on the primary policy in the event of a claim. In some cases, it may not cover the cost of the primary policy's excess in full, but it may still make the overall cost of a claim much more affordable.

Alternative Arrangements

If you have considered all flood insurance options and they are either not available or not appropriate, you will need to fund any flood recovery yourself. It is important that you take into account all the potential financial losses and set aside a contingency fund for future flood recovery.

Insurance for Rented Properties

If you live in a rented property you will want to insure your contents for flood risk. You may be able to do this through Flood Re if you qualify for the scheme, otherwise you can also consider the alternative options above for insuring your contents. Only a landlord can insure the building itself, but they are not eligible to do so through Flood Re, as leasing a property is classed as a business and Flood Re is not available for businesses.