

Flooding (Prevention and Insurance) Bill

[AS INTRODUCED]

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Set national minimum requirements for flood mitigation and protection measures in new build public and private properties enforced by local planning authorities; to place reporting requirements on local and national government in relation to flood prevention measures; to establish a certification scheme for improvements to domestic and commercial properties for flood prevention and mitigation purposes and an accreditation scheme for installers of such improvements; to require insurers to take account of such improvements and any existing flood prevention and mitigation measures that were planning permission requirements when determining premiums; to extend eligibility to the Flood Reinsurance scheme under section 64 of the Water Act 2014 to small and medium-sized enterprises and homes built after 2009; and for connected purposes.

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1 Minimum requirements for flood mitigation and protection

- (1) The Secretary of State must, before the end of the period of six months beginning on the day this Act is passed, use the power under section 1 of the Building Act 1984 to make building regulations for the purpose in subsection (2). 5
- (2) That purpose is to set minimum standards for new build public and private properties in England for—
 - (a) property flood resilience,
 - (b) flood mitigation, and
 - (c) waste management in connection with flooding. 10

2 Duty to make flooding data available

- (1) The Secretary of State and local authorities in England must take all reasonable steps to make data about flood prevention and risk publicly available.
- (2) The duty under subsection (1) extends to seeking to facilitate use of the data by—
 - (a) insurers for the purpose of accurately assessing risk, and 15

- (b) individual property owners for the purpose of assessing the need for property flood resilience measures.

3 Flood prevention and mitigation certification and accreditation schemes

- (1) *The Secretary of State must by regulations establish—*
 - (a) *a certification scheme for improvements to domestic and commercial properties in England made in full or in part for flood prevention or flood mitigation purposes, and* 5
 - (b) *an accreditation scheme for installers of such improvements.*
- (2) The scheme under subsection (1)(a) must—
 - (a) set minimum standards for the improvements, including that they are made by a person accredited under subsection (1)(b), and 10
 - (b) provide for the issuance of certificates stating that improvements to properties have met those standards.
- (3) The scheme under subsection (1)(a) may make provision for the certification of improvements that were made before the establishment of the scheme provided those improvements meet the minimum standards in subsection (2)(a). 15
- (4) Regulations under this section—
 - (a) are to be made by statutory instrument;
 - (b) may make consequential, supplementary, incidental, transitional or saving provision; 20
 - (c) may make different provision for different purposes;
 - (d) may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament.
- (5) A draft statutory instrument containing regulations under this section must be laid before Parliament before the end of the period of six months beginning with the day on which this Act comes into force. 25

4 Insurance premiums

- (1) The Financial Conduct Authority must, before the end of the period of six months beginning on the day this Act is passed, make rules under the Financial Services and Markets Act 2000 requiring insurance companies to take into account the matters in subsection (2) when calculating insurance premiums relating to residential and commercial properties. 30
- (2) Those matters are—
 - (a) that certified improvements have been made to a property under section 3, or 35
 - (b) that measures that were in full or in part for the purposes of flood prevention or mitigation have been taken in relation to the property that were requirements of the local planning authority for planning permission purposes. 40

5 Flood Reinsurance scheme eligibility

- (1) *The Secretary of State must, before the end of the period of six months beginning on the day this Act is passed –*
- (a) *establish a new Flood Reinsurance scheme under section 64 of the Water Act 2014 which is in accordance with subsection (2), and* 5
 - (b) *lay before Parliament a draft statutory instrument containing regulations under that section to designate that scheme.*
- (2) A new Flood Reinsurance scheme is in accordance with this section if it extends eligibility to –
- (a) premises built on or after 1 January 2009 which have property flood resilience measures that meet the standard under section 1(2)(a), and 10
 - (b) buildings insurance for small and medium-sized enterprise premises.
- (3) The Secretary of State may by regulations require public bodies to share business rates information with the scheme established under subsection (1)(a) for purposes connected with the scheme. 15
- (4) *The Water Act 2014 is amended in accordance with subsections (5) to (9).*
- (5) In section 64 (the Flood Reinsurance scheme), after “household premises”, in each place it occurs, insert “and small and medium-sized enterprise premises”.
- (6) In section 67 (scheme administration), after “household premises”, in each place it occurs, insert “and small and medium-sized enterprise premises”. 20
- (7) After section 69 (disclosure of HMRC council tax information) insert –

“69A Disclosure of business rates information

- (1) The Secretary of State may by regulations require public bodies to disclose information relating to business rates to any person who requires that information for either of the following descriptions of purposes – 25
- (a) purposes connected with such scheme as may be established and designated in accordance with section 64 (in any case arising before any scheme is so designated);
 - (b) purposes connected with the FR Scheme (in any case arising after the designation of a scheme in accordance with section 64). 30
- (2) A person to whom information is disclosed under regulations made under subsection (1)(a) or (b) –
- (a) may use the information only for the purposes mentioned in subsection (1)(a) or (b), as the case may be; 35
 - (b) may not further disclose the information except in accordance with those regulations.”
- (8) In section 82(5) (interpretation) –
- (a) for “69” substitute “69A”; 40
 - (b) after “household premises” insert “small and medium-sized enterprise premises”.

- (9) In section 84(6) (regulations and orders), after paragraph (e) insert—
- “(ea) regulations under section 69A (disclosure of business rates information),”.

6 Extent, commencement and short title

- (1) Sections 1 to 3 extend to England and Wales only 5
- (2) Sections 4 to 6 and this section extend to England and Wales, Scotland and Northern Ireland.
- (3) This Act comes into force on the day on which it is passed.
- (4) This Act may be cited as the Flooding (Prevention and Insurance) Act 2022.

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