

PE1441/H

Andrew Howlett
Assistant Clerk
Public Petitions Committee
The Scottish Parliament
Edinburgh EH99 1SP

31 January 2013

By email: petitions@scottish.parliament.uk

Dear Mr Howlett

CONSIDERATION OF PETITION PE1441

Calling on the Scottish Parliament to urge the Scottish Government to represent Scottish interests in the current discussions between Defra and the UK insurance industry.

I refer to your letter dated 09 January 2013 to SEPA's Chief Executive which I have been asked to respond to on his behalf.

Whilst the matter of Insurance availability is a largely commercial decision for Insurance Companies, we recognise that the Insurance sector is a key stakeholder in developing and supporting sustainable flood risk management in Scotland. SEPA's strategic coordinating role as defined within the Flood Risk Management (Scotland) Act requires us to deliver national, strategic hazard and risk maps to support the development of sustainable flood management solutions and is central to the successful delivery of the Act. The ability to share this information across the stakeholder community is also a key consideration in the delivery of our duties.

Turning to the ABI response to your Committee's Petition on Flood Insurance and specifically the ABI question regarding the availability of a 'fully commercial' licence for flood hazard data in Scotland¹ and how this relates to the delivery of commitments within the 'Statement of Principles'², the key concern raised by the ABI relates to the availability, on a commercial basis, of the Scottish Flood Defence Asset Database (SFDAD).

The Committee may be aware, in May 2012, SEPA inherited the administration of the SFDAD from the Scottish Government. At that time a number of commercial organisations, including many ABI members, had full access to the database and SEPA



Chairman
David Sigsworth

Chief Executive
James Curran

Corporate Office

Erskine Court, Castle Business Park,
Stirling, FK9 4TR
tel 01786 457700 fax 01786 446885
www.sepa.org.uk

has made a commitment that this access will remain in place for both existing and new requests from Insurance Companies. However, access to the database is based on the 'non-commercial' use of the data, hence the request for a commercial licence from the ABI to enable them to use the information to assist in premium setting. These concerns have also been raised directly with SEPA through our ongoing dialogue with the ABI.

In order to progress this matter and secure the appropriate approvals to share the data held on SFDAD, SEPA has written to all Scottish Local Authorities seeking their permission to share the underlying data with a range of flood risk management professionals, including the insurance industry. Pending a successful outcome to this process, we hope to develop the appropriate 'internal' commercial licence conditions which would allow ABI members to use the SFDAD to assess the flood hazard in order to assist in the setting of premiums. The timescales for the delivery of this will be very much determined by the response from Scottish Local Authorities, however, we would hope to have the new licence conditions in place by the end of March this year.

I would also like to confirm that SEPA is committed to resolving data licensing issues which has constrained our ability to share flood hazard information, on a commercial basis, with the ABI (both SFDAD and the Indicative River and Coastal Flood Map (Scotland)) and we will continue to work with all relevant parties to ensure that we can progress this matter in a manner which will support the delivery of effective and sustainable flood risk management across Scotland.

As a public body committed to openness and transparency, SEPA feels it is appropriate that this response be placed on the public record. If you require further clarification on any aspect of this correspondence, please contact Marc Becker, Flood Risk Manager, SEPA East Kilbride Office, at the address below;

SEPA
5 Redwood Crescent
Peel Park
East Kilbride
Lanarkshire
G74 5PP

Yours sincerely

David Pirie
Director of Science and Strategy

1

Scottish Parliament Public Petitions PE01441: Flood Insurance Problems. Response from the Association of British Insurers - 4th bullet point, Section 2

2

<http://www.scotland.gov.uk/Topics/Environment/Water/Flooding/resources/membersofthepublic/Insurance/principles>