Collaboration, information and data sharing as it relates to insurance, risk assessment and protecting against loss

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Norwich Union
Recent Changes in Weather

• In Autumn 2000, storm and flood claims cost NU £200m and the industry £1bn

• Weather related claims cost UK insurance industry £500m - £1bn pa

• Weather claims increasing by 2-4% pa
Future UK Weather

- Drier, hotter summers especially in the SE
- Wetter winters with more downpours
- Rising sea level
- Increased wind speeds in the SE

- Subsidence
- River flooding
- Coastal flooding
- Storm damage
Flood outline for Tower Hill, London
NEXTMap Britain

- Elevation Model
- Radar Image
- Flood data from CEH

= Flood Risk Assessment
Norwich Union Digital Flood Map

- Radar Image
- DTM shaded to 10m contours
- DTM shaded to 1m contours
- 75 Year Flood Outline
- Flood outlines on DTM
Full Postcode vs Individual Addresses

- **Houses**
- **Postcode centre**
Claims data from January 2005 storms

Carlisle floods
Carlisle: 75 year outline

Houses at risk
Other houses
Norwich Union 75 Yr Outline
Why Collaborate?
Environment Agency’s National Flood Risk Assessment map (NaFRA)
NU’s digital flood map of same catchment (no defences)
NU data combined with NaFRA
### Comparison

<table>
<thead>
<tr>
<th>Category</th>
<th>EA</th>
<th>Combined</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Postcodes with at least address at significant risk</strong></td>
<td>40,561</td>
<td>24,185</td>
</tr>
<tr>
<td><strong>Addresses within these postcodes</strong></td>
<td>675,610</td>
<td>372,282</td>
</tr>
<tr>
<td><strong>Addresses identified at significant risk</strong></td>
<td>372,774</td>
<td>186,845</td>
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</tbody>
</table>
The Wider Role of Insurers

- Insurers can play a role with public authorities in identifying how risks can be managed
- Quantifying the cost and frequency of weather events is a core activity
- Insurers can be a bridge between theory and practice
- Influencing the scale, location and standards of housing development
- Informing the public and raising the level of debate
Getting Our Message Across

Map reveals ‘flood risk’

Norwich Union debuts digital flood maps

Lifeline for home owners caught in flood trap

They need to take history into account, not just radar images

One of the UK’s largest insurance firms has

released a new tool to enable customers to

assess the risk of flooding in and around their

properties.

Norwich Union says the new digital map

will provide individual properties at risk of

flooding for the estimated five million

people living or working in flood-prone areas.

The company’s scientific team used data

from the Environment Agency and Ordnance

Survey information to create the map. The

company also says it will convey the

information to customers via their

insurance policies and will use it to

inform customers about their policy terms.

The map reveals the risk of flooding to

individual properties, as well as for those

living in areas that are not directly

affected. It will also help customers

understand the potential impact of

flooding on their property and

surrounding areas.

Norwich Union’s scientific team

analyzed the data to create the map, which

is based on flood risk zones. The

company says the information will be

updated regularly to ensure customers are

kept informed of the latest developments.

The map will also be available to

customers via the Norwich Union website.

The company says it will use the

information to highlight the need for

businesses and individuals to

prepare for the potential impact of

flooding. It will also encourage

customers to consider the potential

costs of flooding and

make necessary preparations.

Norwich Union’s head of underwriting,

Simon Loughorne, said: ‘We are

aiming to ensure that customers

are well-informed about the

potential impact of flooding on

their property. We will continue to

work closely with the Environment

Agency and other organizations to

ensure that customers are

kept up-to-date with the latest

development.

Loughorne added: ‘Customers

should make sure they have

the best protection in place

for their property. We

recommend that they

consider the potential

impact of flooding on

their property and

take necessary

precautions.

The map is available online at


Norwich Union is one of the

UK’s largest insurance firms,

offering a wide range of

personal and commercial

insurance products. It is

part of the Aegon Group,

one of the world’s largest

pension providers.
GIS - What Next?

• River defences
• Coastal inundation
• Drainage - flash flooding, sewage, runoff, ground water
• Windstorm modelling
• Subsidence modelling
• Property data
• Tool for underwriting
• Risk management and accumulation
Underwriting Conditions

"I get 20 percent off my flood insurance for having the oars installed."
Realising the GIS Vision

Constraints
- **IT**: Breaking the mould?
- **Management buy in**: Slow returns vs quick wins

Challenges
- **Data**: Quality, availability and cost.
- **End-user Empowerment**: Internal advertising and education.

Co-operation
- **Joined up Government**: Does the private sector add to the mix?
- **Joined up Business**: A place for cross-industry partnerships?
Any questions?