



MEMORANDUM OF UNDERSTANDING

BETWEEN

INSURANCE IRELAND

AND

THE OFFICE OF PUBLIC WORKS

24 March, 2014

1. Purpose of the Memorandum of Understanding (MOU)

- 1.1 Insurance Ireland (II) and the Office of Public Works (OPW) have a common interest and objective in ensuring that appropriate and relevant information on completed OPW flood defence schemes is provided to insurers to facilitate, to the greatest extent possible, the availability to the public of insurance against the risk of flooding.
- 1.2 The purpose of this MOU is to set out the principles of how II and the OPW will work together to achieve that objective.
- 1.3 This MOU does not represent a market or Government/insurer agreement on the provision of flood cover.

2. Purpose and Function of Insurance Ireland and OPW

2.1 *Insurance Ireland*

- 2.1.1 II is the representative body for insurance companies in Ireland. Collectively II members write the vast majority of all life and non-life business in the State.
- 2.1.2 As the voice of insurance companies in Ireland, II's key functions include:
 - representing its members' interests to Government, state agencies, regulatory bodies, public representatives, other national interest groups, the media and the general public;

- representing the position of members at a European level particularly via Insurance Europe, the European association for national insurance company representative bodies;
- keeping members abreast of relevant policy and regulatory developments and providing a forum for member debate on such issues;
- providing information to Government, the wider policy making community and the public about insurance.

2.2 *Office of Public Works*

The OPW is the lead State body for the co-ordination and implementation of Government policy on the management of flood risk in Ireland. The OPW is also the national competent authority for implementing EU Directive 2007/60/EC on the Assessment and Management of Flood Risks. Its role encompasses the overall direction and co-ordination of flood risk management and the provision of support to other organisations as appropriate. The OPW develops and implements work programmes restructural and non-structural flood relief measures and it is responsible for the ongoing delivery of flood defence projects either directly or in partnership with local authorities and for the maintenance of completed schemes. Its activities include:

- provision of information to people and businesses at risk of flooding;
- provision of information on historic floods;

- collecting and disseminating surface water level and flow data;
- maintaining arterial drainage schemes and flood relief schemes carried out under the Arterial Drainage Acts 1945 and 1995;
- preparing, funding and executing new schemes under the Arterial Drainage (Amendment) Act 1995;
- assisting local authorities in their response to areas at risk of flooding;
- maintaining coastal protection schemes constructed under the Coast Protection Act, 1963;
- providing coastal defence schemes.

The OPW also works to reduce the risk of flooding that may arise in the future by:

- regulating works to weirs and bridges under Sections 47 and 50 of the Arterial Drainage Act 1945;
- providing information and guidance to local authorities in the preparation of statutory development plans;
- providing policy advice on floodplains and river development;

- providing information on flood risk to local authorities and the public through the development of flood risk assessment and management plans;
- undertaking research, e.g. to improve the estimation of design flood flows.

3. II's Requirements in relation to Flood Defence Scheme Data

II requires:

- a complete list of OPW flood defence schemes showing the status of remedial works i.e. completed, (and the date completed), in progress (with expected completion dates), at design/planning stage, proposed etc.
- the nature of and design standards to which each of these defence schemes has been constructed to be included in the above list, expressed as the return period of an event which the scheme is designed to withstand. The desired standard would be 1:100 years as at 1 January 2012;
- the provision of information on completed schemes to be in a readily accessible format to be agreed to include "Benefit Area" maps (in GIS format) showing the extent and nature of the protections offered by any remedial works and the design standards to which they have been constructed;
- regular updates of all the information above;

- confirmation that the OPW has reviewed the defence schemes and can verify a 1:100 year standard as at 1 January 2012 or, where possible, a lesser stated and quantified standard of protection in those cases where this has been provided.
- a commitment from the OPW in relation to maintenance of flood defence schemes.

4. OPW Requirements

The OPW requires:

- that the insurers who are party to this Memorandum of Understanding undertake, when assessing exposure to flood risk, to take full account of the information provided by the OPW on flood defence schemes in relation to private dwellings and small businesses.
- that insurers accept that the OPW does not make any statement regarding flood risk in areas not specifically identified in the data provided.
- that II consider ways in which the Insurance Information Service which it operates may be more pro-actively promoted and operated to assist the public experiencing problems with flood insurance.

5. II/OPW Flood Working Group

- 5.1 II and the OPW came together in January 2013 in a joint Flood Working Group. The objective of the Working Group is to work together towards

agreeing a sustainable framework and basis on the provision of information on completed OPW flood defence schemes in line with II requirements so that insurers can take this information fully into account when assessing risk in respect of private dwellings and small businesses.

5.2 **The scope of the work of the group is to:**

- establish the areas for which flood defence scheme information will be provided;
- establish the format in which the information will be supplied;
- agree a delivery date for the first and subsequent set of already completed flood defence schemes;
- agree how frequently the information will be updated.

6. **Outcomes**

- 6.1 The OPW will provide detailed background and technical information on all completed OPW flood defence schemes in the format agreed by the Working Group.
- 6.2 Based on the information provided, the OPW and II members will agree, as far as possible, the areas protected by these defence schemes. The desired standard would be 1:100 years as at 1 January 2012.
- 6.3 II members will take into account all information provided by the OPW when assessing exposure to flood risk within these areas. The provision of cover and level of premiums charged and policy terms applied are a matter for individual insurers.

- 6.4 II and insurers will explore the possibility of providing meaningful data on areas impacted by flood loss to the OPW.
- 6.5 II and the OPW will meet as necessary following significant flood events to review the performance of flood defence schemes.
- 6.6 II and the OPW agree to meet, on a regular basis and at least annually, to review the position in relation to the provision and updating of information including an assessment of any changes that may impact on the performance of flood defence schemes.

7. Contacts

The two organisations will establish lead contacts who will be:

Insurance Ireland:

Michael Horan, Manager, Non-Life Insurance;

Office of Public Works:

Liam Basquille, Principal Officer, Engineering Services.

This Memorandum done in Dublin on:

For Insurance Ireland

**For the Office of Public
Works**

Kevin Thompson

Tony Smyth

Kevin Thompson

Tony Smyth

Chief Executive Officer

Director of Engineering Services