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[CHECK AGAINST DELIVERY]

1. Thank you for the opportunity to address your conference today.
2. Let me begin by explaining the work that we are doing as part of the review into last summer's floods. I was appointed by ministers to undertake this work, and asked to make sure that my work was both thorough and independent. They want a fair assessment of what happened and what we might do differently as a country, and I am determined that we should be positive where we can be, but demanding where change is necessary.
3. There are four principles which guide us in our work. First, we **start with the needs of those individuals and communities who have suffered flooding or are at risk**. What we do has to make a difference on the ground, improving the quality of people's lives. Both our final report and our recommendations will reflect this.

4. Second, change will only happen with **strong and more effective leadership across the board**. At national level to ensure that our recommendations are driven through, at local level to deal with the immense challenges we face before, during and after flooding.

5. Three, we must **be clear about who does what**. Our recommendations will ensure that people and organisations are held to account, structures are simple and outcomes are more certain.

6. Four, we must be willing to **work together and share information**. Whilst recognising issues of commercial confidentiality and security, the public interest is best served by close co-operation and a presumption that information will be shared. We must be open, honest and direct about risk, including with the public.

Progress with the Review

7. It is worth reminding ourselves why ministers believe our review is necessary, and why we have had such enthusiastic support and contributions for our work so far. Last summer's

flooding was exceptional. The wettest summer since records began, with extreme levels of rainfall compressed into relatively short periods of time. You will all, I'm sure, be familiar with the pictures on television and newspapers – striking images of Tewkesbury Abbey, reporters standing waist deep in water amongst empty housing estates and aerial shots of flooding infrastructure.

8. But the hard facts of the situation are even more compelling. Fifty-five thousand properties were flooded. Around seven thousand people were rescued from the flood waters by the emergency services and we were lucky, if that is the right word, that only thirteen people died. We also saw the largest loss of essential services since World War Two, with almost half a million people without water or electricity. Transport networks failed, a dam breach was narrowly averted and emergency facilities were put out of action. The insurance industry expects to pay out over three billion pounds – billions of pounds of other costs will be met by central government, local public bodies, businesses and private individuals.

9. The problems did not go away quickly. Tens of thousands of people were rendered homeless, and businesses were put out of

action for months on end. Thousands of people are still out of their homes – a situation which is worrying and perplexing some ten months after the summer’s events. I am not yet satisfied that enough is being done in relation to this problem. The review will consider whether a system of public monitoring of numbers of people displaced, and the reasons why, should be introduced.

Taking flooding more seriously

10. So as we have undertaken this review I have been surprised by what we have uncovered. The scale of the events, coupled with other examples in recent years of wide-area flooding, has reinforced in my mind that we should be as serious about flooding as we are when it comes to terrorism or pandemic influenza.

11. And yet this is not always the case. Whilst many people are alive to the risks, and many people at all levels of government, the private and voluntary sectors are working hard to mitigate the risks from flooding, it still does not seem to get treated with the respect or priority it deserves as a problem.

12. In an average year, the financial cost of flooding in England and Wales is approximately one billion pounds. This figure is

rising. We witnessed serious river flooding in 1998, 2000 and 2002 across England and Wales, high profile incidents at Boscastle in 2004 and Carlisle in 2005, and of course the extraordinary events of last summer.

13. And yet, flooding is underrated as an issue – something of a ‘blind spot’ for society. We forget quickly. There seems to be a collective inertia when it comes to the protection of property, businesses and infrastructure and we seem to have come to tolerate some flooding as inevitable. I am the first to concede that we cannot stop flooding, and indeed we made this point strongly in the interim report. High levels of flood risk are undoubtedly here to stay.

14. But at the same time, there is no reason why we should be accepting of flooding as simply a fact of life, something that some people have got to put up with, that we tolerate as inevitable. Just because many of us do not live on a flood plain, it doesn’t mean that we are safe – a point to which the thousands of people affected last summer by surface water flooding will testify.

15. This is poor value for UK PLC. The costs of flooding are significant, and failure to take collective action will see those costs mount. Collective, preventative action will bring the greatest

benefits of all. Also, the negative effects are felt disproportionately by the poorest members of society, those least able to help themselves. Recovering from flooding, or coping with the loss of essential services is hardest for poor families, the elderly and infirm. I have met families, who had little to start with, reduced to genuine hardship. And many older people placed in unsuitable temporary accommodation. This is an issue of equity, and one which must be addressed.

Government must show a lead

16. The starting point for change must be strong government leadership.

17. The scale of the problem is, as we know, likely to get worse. We are not sure whether last summer's events were part of a wider pattern of climate change, but we do know that events of this kind are likely to become more frequent as the climate changes. Therefore the country must adapt to increasing flood risk. As the Stern Report outlined, adaptation is crucial to deal with the unavoidable impacts of climate change to which the world is already committed. One of the tasks for the review is to take the

ideas set out in Stern and translate them into practical actions. We see parallel examples of this now, such as changes to the way the Highways Agency is building roads or the choices developers are making about flood defence and drainage. As a country, we are well-placed to adapt with both the resource and the capability.

18. But direction must come from government. It is difficult for any single entity, even those as large as the major infrastructure companies, to interpret the volume and complexity of the technical data involved. Even if they can, the choices any individual firm makes will not always reflect the true costs and benefits to society collectively. So government needs to use the tools available to it to drive the rate of adaptation, facilitating and regulating the pace of change.

19. Government also has a crucial role to play in marshalling the resources which support change. Central government dictates the level of expenditure on flood risk management, paying for programmes of defence works out of general taxation in a way which reflects the indirect benefits we all enjoy. There is considerable debate about whether the spending in this area – due to hit eight hundred million pounds a year by 2010 – is sufficient or whether it is spent on the right initiatives. Two points stand out.

Firstly, if we are to maintain existing levels of protection, flood defence spending will need to rise in real terms every spending review, and government should plan on that basis. Secondly, one of the strongest lessons of last summer was that the impact of flooding is not limited to flood water in property. The loss of critical infrastructure is a very real problem, and so flood risk management investment decisions should factor in the cost of losing essential services.

20. Government must also show a lead on questions of land use. Many submissions to the review call for a complete end to building on the flood plain. I don't believe this is realistic. Are we really willing to end all development along the Thames, or bear the costs of siting critical infrastructure, such as water treatment works or power stations, away from the water supplies they need to function.

21. On the other hand, is our institutional framework for controlling development on the flood plain strong enough? Should we be considering more radical options? Certainly planning authorities will need to toughen up their approach to development control and the Building Regulations need major amendment.

22. Government also faces choices about strategic issues of flood defence. We are not yet seriously debating the issue of inland retreat – the idea that as on the coast, some built up areas inland may simply not be sustainable in the face of increasing flooding. However, inland retreat is an option we may have to face up to in the longer term.

The role of local government

23. Direction and leadership from the centre needs to be matched at the local level. That is why one of the central themes in the Interim Report is the importance of local leadership. We cannot make any new and ambitious progress on minimising flood risk without big change at local level.

24. It is worthwhile placing the current situation into its historical perspective. Formalised, systematic local government in this country is, in the grand scheme of things, a fairly recent invention. The local government which we see today emerged around a hundred and fifty years ago, largely in response to an unprecedented wave of development. Millions of new homes were being built and the great industrial cities were emerging, with

unregulated infrastructure. The concentration of so many people required an organised response and a new system of local government led the way in tackling the problems. This growth of local government was necessary, and councils were given the tools and the teeth to do the job.

25. Further surges of building and development took place in the nineteen thirties, fifties and sixties. On the whole, this development was managed by large and well-equipped local authorities, with engineering, planning, highways, architecture and other technical departments. Borough engineers, city architects and their colleagues were powerful figures with genuine authority and resource.

26. We are now once again facing a surge in demand with the promise of three million new homes. Infrastructure providers tell us that they are embarking on programmes of renewal and expansion which are unprecedented. However, councils are now less well equipped. The last twenty or thirty years have seen the technical departments of local authorities significantly diminished and in some places closed or merged. The tension in the system between demand for housing and risk of flooding is not always properly addressed. We need to ask ourselves, for example, why

around a quarter of the homes flooded during the summer were built in the last twenty-five years in areas of flood risk.

27. That is not to argue for the return to the way things were. Old fashioned technical departments had their faults, and partnership with the private sector has delivered major gains.

28. So I am not calling for the clocks to be turned back. But local authorities need the capability and powers to commission expert advice, and to ensure that local communities are properly protected, and that the gains from development are not undermined by the costs of flooding and other risks. This means more resource for local authorities, and fits well with the localism agenda which seems at present to have cross-party support. But to be meaningful in practice, to make a real difference to people's lives, localism must include a technical renaissance in local government and society must begin to value more highly the importance of technical and engineering skills.

Private sector responsibilities

29. Change at the local level will only happen when local leadership is supported by co-operation between a wide range of

organisations. The summer's events reminded us all of the complicated nature of public service provision, and the interdependence between public and private interests. Flooding affected essential public services provided by private companies, who in turn relied on public sector organisations to support their emergency response. You will, I'm sure, recall the pictures of military and emergency service personnel at Walham trying desperately, and ultimately successfully, to protect the assets of a private electricity company for the benefit of communities many miles away.

30. We know from our own research that this complicated split of responsibilities leaves the public cold. They regard the emergency services, utility companies, councils, insurers and the armed forces as the 'authorities' – they are confused about who has responsibility for what.

31. It reinforces the message that, as far as the public are concerned, key private sector organisations have an obligation to the community which comes to the fore in times of crisis. This means that, if we are to take flooding more seriously as a society, the private sector has a responsible role to play.

32. This is particularly true of critical infrastructure providers. Increasing awareness of natural hazards is adding to this debate. We need to invest in the protection of our critical infrastructure from flooding and other severe weather events.

33. Society needs the private sector to face up to the costs of managing the risk of flooding of critical infrastructure. That may also mean government has to be more involved to ensure that the right standards are achieved in order to deliver certainty.

34. In the summer, the duties in the Civil Contingencies Act for Category 2 responders to co-operate and share information were insufficient. Critical infrastructure providers must become much more active in local and national emergency preparedness and response. If we are to find the right way to proceed on this, we need conversations between the public and private sectors at the national and local levels.

Warnings

35. Organisations with responsibilities to inform and warn us about flood risk and severe weather must also improve their performance. The importance of this issue has come through

strongly in our review work to date, and it is one we will explore in more detail in the final report.

36. We know there are weaknesses in the system.

Responsibility is split between agencies, prominent amongst these being the Met Office and the Environment Agency. During the floods, people experienced the effects of the lack of joined-up communication across government agencies. There was no single authoritative voice, no proper forecasting and warning system for surface water flooding, and a general need for more accurate, targeted and earlier warnings. These are the messages we have heard during the review, whether from emergency responders, critical infrastructure providers or the public.

37. As the interim report set out, we need a more robust approach to modelling and mapping of flood risk. Improving technology will allow us to predict and monitor with ever greater accuracy.

38. And once we have the information, we must share it with the people who need to know it in a form they can use. Last summer, too much information was given to people, without clear explanation or pre-determined triggers for action. The public received technical warnings which they could not interpret or were

warned too late – in many cases after they had already been flooded.

39. This is a challenge for emergency responders as much as the public. Local authorities and the police have to cope with large amounts of fast-moving and technical information relating to the scale of a flood during an emergency. Modern technology can provide a more effective approach, using electronic information and mapping which is already available at control rooms operated by organisations like the Environment Agency and Met Office. The real time mapping and visualisation of flooding is something which should be available at every gold command.

40. The final point on warnings is who should lead. Are we best served by having two forecasting and warning organisations issuing warnings of the same risk to the same people? Now is the time to consider the case for a single flood forecasting and warning centre.

Active communities

41. One of the most striking impacts of the summer floods was the way in which individual communities suffered. We have met

people with stories of the ways in which individuals and communities have coped. What is obvious is that these coping strategies are important. In a wide area emergency, the authorities are overwhelmed and people need to be ready to help themselves.

42. I see this as a part of the public's contract with the state. Flooding confronts society as a whole. Central government, local government, and the private sector need to do more, and so must the public. Where we have seen this happening, we see high returns.

43. Some of it is about sensible decision making before flooding. For example, there are many property level measures which can be taken – air brick covers, gates for doors, repositioning of electrical sockets and boilers. These are sensible, simple changes. Likewise, many people have the option to sign up for warning schemes, notably the Flood Warnings Direct telephone scheme operated by the Environment Agency.

44. It is also important how people react during flooding events. Many communities showed themselves willing to pull together during the summer floods. Helping neighbours became second nature, and we have heard good stories of community spirit and

engagement. Those with the equipment to help others – for example the farmers I met in Upton-upon-Severn – did work for those in greater need.

45. But there is so much more that needs to be done. The Interim Report contained fifteen urgent recommendations, two of them directed specifically at the public and relating to personal preparedness and awareness – simple steps such as having a household flood kit. My commentary on progress against the recommendations, published today, shows that only limited progress has been made. This is disappointing. The government should develop a programme of capacity building through education, training and publicity, helping communities and individuals to help themselves before, during and after emergencies.

46. To that end I also welcome the announcements in the National Security Strategy relating to the development of formal structures to promote Community Resilience. If we can harness international good practice we can help everyone who lives in areas at risk of flooding to help themselves.

Who pays?

47. The idea that the costs of flood risk management will be borne centrally is widely held. However, we know that there are direct beneficiaries from flood defence work, and we know that aligning those who benefit with those who pay will bring greater efficiency and greater responsiveness from those who are carrying out the work.

48. Let me be clear that I am not advocating an abandonment of collective responsibility for funding. I believe that central funding will continue to be the bedrock for flood defence work. I also have real sympathy with those who find themselves flooded, and ask the question 'I'm already paying the costs of being flooded, why should I be hit with the additional cost of having to pay for the defences as well?'

49. But this does not mean that we cannot give people the opportunity to help themselves, or bear some of the costs. We have seen and heard of many local groups who want to take action to alleviate flood risk in their community. At the moment, this kind of scheme can end up being too low a priority for the Environment Agency and so, despite making sense, goes un-tackled.

50. I believe we should be encouraging more local communities to promote innovative schemes, including contributing towards the costs themselves, with appropriate technical support from local authorities and the Agency. Locally funded flood defences should become a bigger feature of this country's flood risk management, not an exception brought about through unusual circumstances as they are now. We should also expect customers to pay more to guarantee the security of supply of essential services. This is a hard message at a time of rising prices, but the costs of hardening critical infrastructure sites against natural hazards are generally small relative to the utilities' large-scale infrastructure investment programmes and the potential costs of losing essential services.

51. Is there appetite for this kind of change towards more alternative forms of funding? I believe there is. Gloucestershire's recent local referendum on a hypothecated council tax rise to pay for enhanced local flood risk management was supported. Local communities submitting evidence to the review say they have the desire to do the same on a very local basis. There is willingness to change, and we need an approach to funding which harnesses it.

Society's appetite for risk

52. If we are to make this work, we need to address the extent to which society is willing to live with the risk of flooding, and pay for the benefits of mitigating that risk. What we need to encourage is rational behaviour. Flooding will not be taken seriously if we play down its consequences.

53. We also need to be direct with the public when we have competing risks. Perhaps the most obvious example within the review process is the balancing act between protecting information about the importance and vulnerability of critical infrastructure sites and the need to share information about such sites to protect them from flooding. Guarding against either risk can exacerbate the other. As the summer floods showed, actual risk to these sites is much higher than communicated risk, and so the public were shocked by the loss of essential services. As a consequence, they were poorly prepared, and levels of protection of these key sites did not match the public's expectations. Critical infrastructure operators and security organisations should be more open about the risks which exist.

54. It is interesting that one masonry dam I visited has inundation maps drawn up by consultants, but these are not made

available to the public at risk. In this particular case, a school lies in the path of the potential flood should the dam fail. But there are no emergency plans at the school. The head teacher is unaware of this upstream risk and no escape routes for children have been prepared.

55. So we need to move to a situation where we are making more effort to communicate risk accurately and debate risk appetite in a more public way. I was pleased that the new National Security Strategy addressed this question so directly, and promised the publication of a national risk register. The simple fact is that we need to be more willing to tell people the truth about risk, and have the debates as a society so that we make a considered judgement about how to handle them.

Making change happen

56. The final issue I want to touch on is the challenge of making change happen. We will produce our final report in the summer, and effective machinery must be in place to ensure that all recommendations which the government accepts are acted upon and that the implementation is driven forward.

57. At the local and regional levels, we see a role for scrutiny committees of local councillors and regional flood defence committees. At the national level, I believe that the EFRA select committee will follow progress with interest. Defra has already shown itself willing and able to move this work forward. In addition to Defra taking lead responsibility for implementation, there may also be a case for a new cabinet committee to deal with flooding, much as we have already for terrorism and pandemic influenza.

Conclusion

58. To finish, I would like to take this opportunity to thank the many people and organisations who have responded to our call for evidence and given us their views on the interim report.

59. As I have said, we need to take flooding more seriously. It stands alongside terrorism and other threats in its likelihood and impact. Unaddressed, it will get worse. Concerted action to manage down this risk will only be possible through determined effort by central and local government, and the private sector. By acting together we can address this very real threat to homes, infrastructures and people's lives.

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