

Counting the cost of flooding



The flooding in 2015/16 was estimated to cost the economy £1.6 billion. The economic losses from flooding between November 2019 and March 2020 are estimated to be about £333 million*, although it would have cost an extra £2.1 billion without flood defences. We know these costs because we've studied and analysed impacts (like flooded properties and businesses) and used this to calculate the costs of economic damage from flooding. The estimates and pattern of damages caused by nation-wide flooding is well understood. Our evidence however needs strengthening for smaller and more frequent flood events.

*[Environment Agency Flood and coastal erosion risk management report: 1 April 2019 to 31 March 2020](#)

Nuisance flooding

Small, more frequent flood events disrupts homes, businesses and infrastructure. We need to make sure these costs are incorporated into flood and coastal erosion risk management (FCERM) investment decisions.

Evidence and tools to analyse damages

We're updating our evidence on floods since 2016 (our last evidence study on costs of floods) to capture and analyse damages from frequent and smaller scale flooding.

This information will be used alongside data we already have (from 2007, 2013/14, and 2015/16 cost of floods studies) to update tools used for FCERM funding and investment.

One of these tools is the partnership funding calculator, which determines how much the government can contribute towards interventions that reduce flooding. Another tool is the Environment Agency's long term investment scenarios which are used to determine future funding needs.

This evidence could support other risk management authorities to invest in interventions that improve resilience to smaller scale and more frequent flooding.

How we will use the evidence

The new data will improve the initial estimates of flood damages and the damages that are avoided due to flood defences that we produce during floods . This will help to support our incident management and our communication with the government and the media.

We will also look at how we can gather data more efficiently. It can take a long time to collect flood impact data from several organisations including risk management authorities, insurance companies, farmers, and infrastructure providers. We will examine how we design a streamlined and repeatable process.

Further information is available from Hayley Bowman:

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1. 10 September 2021

Corrected total economic loss estimate

2. 25 February 2021

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