**\*\*\*For immediate release\*\*\***

**24.09.2025**

**Shrewsbury Flood Report Reveals Millions in Hidden Business Losses**

A National Flood Forum (NFF) report has revealed that Shrewsbury’s local economy faces more than twice the flood loss and damage to businesses than previously recognised. It calls for urgent changes to national funding assessments.

The report, which is published today and is part of a partnership project between Shropshire Council, Shrewsbury Business Improvement District (BID) and the National Flood Forum, funded by the West Mercia Local Resilience Forum, shows that businesses in Shrewsbury suffer more than twice the £25million financial losses from flooding than previously estimated by the Environment Agency.

The report also shows that the business case for protecting the local economy in Shrewsbury is undermined by a lack of recognition in the assessments to date of the true impact of flooding on the local economy.

This lack of recognition of the harm being done to Shrewsbury businesses leads to a serious burden being carried by businesses across the town. This burden is disproportionately carried by the smaller independent businesses that give Shrewsbury its unique character.

To carry out its assessment, the National Flood Forum appointed GeoSmart Information, a leading UK flood risk specialist.

Using the Frontier Economics Toolkit (a government-backed method for evaluating local flood impacts) and a survey of local businesses capturing wider losses, GeoSmart’s analysis highlights that national economic models consistently underplay the real damage caused to businesses. These models fail to capture the loss of trade, physical damage, and prolonged disruption that businesses experience during and after flood events.

**Shrewsbury’s businesses falling through the cracks**

Shrewsbury is home to over 750 commercial properties in its town centre. It has one of the UK’s highest concentrations of independent shops, spread across the town. Despite this, the town remains largely unprotected from flood events, many of which are made worse by groundwater and drainage system failures.

The report notes that current flood-defence funding models overlook local business losses, working on the assumption that if one business suffers, its customers will simply spend their money elsewhere in the national economy. As a result, Shrewsbury and similar towns struggle to meet the threshold for central government investment, leaving local livelihoods exposed to repeated flood disruption.

**A call for better evidence and better funding**

Tracey Garrett, Chief Executive of the National Flood Forum, said:

*"This report highlights what local businesses have known for years: the real costs of flooding go far beyond what national funding models account for. We need to see an approach that recognises the damage to local economies, not just buildings, if we want to protect the communities at the heart of our towns."*

John Bellis, Flood Risk Manager at Shropshire Council, said: *It’s fantastic that we’ve been able to use this funding to better support the business community in Shrewsbury and I’m hopeful that this report will re-start discussions around future investment in flood defences the town. The establishment of the Businesses Flood Action Group has given agencies the opportunity to engage directly with those affected and given them a chance to input into how we respond to future flood events to keep Shrewsbury open for business.”*

Stephanie Mansell-Jones of Shrewsbury BID said: “*Flooding is one of the biggest threats to Shrewsbury’s town centre economy. Our mixture of national and independent businesses are carrying the brunt of repeated disruption, damage and lost trade, with the indirect impacts to all businesses - directly flooded or not - often overlooked. This report provides the clear evidence we need to start showing the real cost to businesses has been underestimated for too long. It strengthens our case for fairer investment in flood protection that safeguards jobs, livelihoods and the character of Shrewsbury’s town centre.”*

Mark Fermor, Chief Executive of GeoSmart Information, said:  *"We were pleased to support this work with our hydrological and economic expertise. Our analysis shows clearly that a different funding approach is needed. By using a more complete flood loss and damage analysis, towns like Shrewsbury can build stronger cases for future flood protection that actually reflect the risks they face."*

The report also outlines how these findings can support new discussions with the Environment Agency, Defra and local authorities to secure the investment Shrewsbury needs. It is hoped the methodology will serve as a model for other flood-affected towns across the UK.

**ENDS**

**For further information, interviews, or to request the full report, please contact:**

The West Mercia Local Resilience Forum funded the year-long Shrewsbury Business Flood Action Group Project to establish a Flood Action Group for businesses in Shrewsbury and look at the true financial and economic costs to businesses in the area from Flooding.

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