

Local Government Association (LGA) briefing: Westminster Hall debate, coastal flood risk Tuesday 7 July 2015



Briefing

KEY MESSAGES

- It is vital that investment in capital and maintenance is joined-up and planned together as part of a long-term approach to reducing flood risk. This will ensure that the most efficient use is made of public sector investment and help to avoid the difficulties associated with finding enough funding for the maintenance, improvement and replacement of flood risk assets.
- Capital and revenue funding should be devolved into a local place-based 'pot' to help manage coastal flood risk. This would provide increased flexibility to target funding according to local priorities and support councils, the Environment Agency and Internal Drainage Boards in working together to ensure effective arrangements for maintenance locally.
- Priority should be given to upgrading existing water and sewerage infrastructure if it is to cope with increasingly volatile weather. Investment in new reservoirs, drains and pipes is also needed to ensure that new housing is protected against flooding.
- The LGA has long called on the Government and the insurance industry to come to a new deal on providing affordable cover to those living in areas of high flood risk. It is important that the new Flood Reinsurance Scheme is in place as soon as possible, and for insurance companies to continue to meet commitments to existing customers under the old Flood Insurance Statement of Principles agreement.

BACKGROUND

Partnership Funding

Partnership funding is a way of allocating capital funding to flood and coastal erosion risk management projects. Instead of meeting the full costs of a limited number of schemes, the partnership funding approach means that money can help meet the costs of any worthwhile scheme. Money is allocated based on:

- The numbers of households protected;
- The damages being prevented; and
- Other benefits a project would deliver.

Local authorities have committed the majority of external contributions for flood defences (in excess of £110 million) since the new partnership funding model came into existence. Their ability to do so in the future will be constrained by the reductions to their core funding from central government. It is imperative to secure greater contributions from other sources, including the private sector.

The impact of the flooding in 2014

The flooding in winter 2013/2014 had a serious impact on councils and their residents. Some examples of damage caused and the cost to councils are set out below:

- **Cornwall Council began a repair and recovery operation and assessed the damage to key infrastructure.** Cornwall was impacted by twelve major storm events between December 2013 and March 2014. Huge damage was caused to coastal infrastructure in numerous locations and it is estimated that £4.4 million of interim and £17.0 million of permanent capital repairs were required as a result of damage. An estimated £8.2 million was lost from visitors not coming to Cornwall in January/February 2014 alone.
- **North Norfolk District Council estimated the total cost of the storm surge will be more than £3 million** with potentially £1.6 million of this cost being recoverable from insurers. The Council will have to use its general reserves which may not be enough to cover the full cost.
- **Pembrokeshire Council's initial estimates put the cost of the storm damage across the county at £500,000.** It will include the cost of repairing the A487 and a 40-metre stretch of the sea wall which was breached and saw hundreds of tonnes of stones washed onto the highway.

Internal Drainage Boards

Internal Drainage Boards (IDBs) play an important role in managing water levels and reducing the risk from flooding within the areas they cover. This includes maintenance and improvement of watercourses and related infrastructure such as pumping stations, weirs, sluices, culverts and embankments within their drainage districts. The Boards are responsible for maintaining more than 22,000 km of watercourses and work closely with local authorities in delivering local flood risk management.

Provisions within the Local Audit and Accountability Act 2014 mean that levying bodies, including IDBs, are now included within the calculation of the relevant basic amount of council tax (this is the threshold that councils can increase their council tax by without having to hold a referendum). Council tax referendum limits should be abolished in order to remove the restriction on the ability of IDBs to levy finance for the repair of flood defences and bring council tax in line with other taxes in the United Kingdom.

Sustainable Drainage Systems (SuDS)

In considering relevant planning applications, local planning authorities will consult the relevant lead local flood authority on the management of surface water; satisfy themselves that the proposed minimum standards of operation are appropriate and ensure through the use of planning conditions or planning obligations that there are clear arrangements in place for ongoing maintenance over the lifetime of the development. The sustainable drainage system should be designed to ensure that the maintenance and operation requirements are economically proportionate. The LGA has lobbied against new unfunded duties on councils, securing £10 million in upfront funding. Grant funding letters from Defra were sent to lead local flood authorities on 18 March 2015.