

The Somerset Levels & Moors 20 Year Flood Action Plan – Proposed Somerset Rivers Authority

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1. Purpose of the Report

The report sets out progress to date towards establishing a Somerset Rivers Authority (SRA) and seeks endorsement of proposals for the SRA for further development. The report sets out the purpose of the proposed SRA, its scope and role, arrangements for its funding and governance, and a proposed way forward.

The recommendations will take forward a key proposal within the approved 20 year Flood Action Plan for the Somerset Levels and Moors.

2. Forward Plan

This report appeared on the forward plan in October 2014.

3. Public Interest

The flooding across a wide area of Somerset in the winter of 2013-14 brought wide spread disruption to South Somerset. Many homes were flooded for long periods and households in Muchelney were cut off for about ten weeks. During this time many roads were closed, which impacted on many more South Somerset residents and businesses meaning that significantly increased distances were driven simply to go about normal day to day business. For example, some businesses in Westover Trading Estate in Langport were closed for up to 15 weeks and trading is still being affected to this day.

Since last winter there has been concentrated work on developing a Flood Action Plan and establishing a way in which flood protection and maintenance can be better co-ordinated across the whole of Somerset. The proposals for the Somerset Rivers Authority are the mechanism by which this joining up of activity and funding will happen.

For ease of understanding this complex report Appendix 1 summarises the proposals in this report in a series of questions and answers.

4. Recommendations

That District Executive agrees:

- (1) That progress to date in the development of the Somerset Rivers Authority proposition is endorsed, together with the way forward as set out in the report, and that a further report follows in due course.
- (2) To endorse the on-going work by the Leader of the Council and the Flood Action Plan Leaders Implementation Group to progress the creation of a shadow Somerset Rivers Authority, as proposed in this report.

5. Background

The Levels & Moors 20 Year Flood Action Plan sets out a number of workstreams to achieve a vision for the area where “the impact of extreme weather events is being reduced.” Amongst the risk reduction actions in the Plan was a proposal to create a Somerset Rivers Authority. The Plan makes it clear that, “a renewed, co-ordinated and joined-up approach to addressing flooding and resilience issues is required, with opportunities to develop new approaches to the management of the drained areas and the wider catchment, and for enhanced local leadership.” “We must establish long-term governance. This will include new approaches for long term funding of management work on the levels.”

SSDC councillors were all sent the link to the Flood Action Plan on 10 April 2014 and there was an informal workshop session on 13 October 2014 to update members on recent progress.

A Leaders Implementation Group (LIG) has been established to take forward the Action Plan. Our representative on this LIG is the Leader of the Council. The Plan includes a proposal to determine the most appropriate model and to set up a Somerset Rivers Authority, which has greater responsibility for co-ordinating maintenance and improving water and flood risk management, including a new catchment wide funding mechanism. A Project Key Partners Group has been established to advise on developing the project, with representation from the Internal Drainage Boards (IDBs), the County and District Councils, the Department for the Environment, Food and Rural Affairs, the Department for Communities & Local Government, Natural England, the Environment Agency (EA) and the Wessex Regional Flood and Coastal Committee (WRFCC). SSDC is represented on this Group by the Leader and the Strategic Director, Operations and Customer Focus.

While the proposals which follow have been endorsed by the partners through the LIG, they remain “work in progress” in responding to the Government request to set up a Somerset Rivers Authority. The purpose of this report is to advise Members of progress to date and to secure endorsement for the way forward. A verbal update will be given by the Leader of the Council on any further developments at LIG since this report was published.

6. Consultations undertaken

The report has been brought forward from the LIG which oversees the Flood Action Plan.

The Flood Action Plan draws on a wide range of evidence and feedback from the community. It also builds other relevant strategies and plans including Water Level Management Plans, and the Somerset Flood Risk Management Strategy.

7. The Somerset Rivers Authority Project

The current proposals have adopted the title “Somerset Rivers Authority” (SRA). With communities and businesses across Somerset wanting a higher level of funding and protection than is available from the Environment Agency’s work programme, it will be the SRA’s task to determine, by bringing together the Flood Risk Management Authorities (FRMA’s) and community and business representatives, what further work should be done. Discussions and negotiations with Government as to how the SRA is to be funded are on-going.

(a) Purpose

It is proposed that, with its strategic overview, the SRA would be the advocate of what is needed for Somerset in reducing flood risk. Through its influence and decisions, the SRA would be accountable for:

- The Flood Action Plan
- A co-ordinated approach to delivery, and
- on a Somerset-wide basis, for the funding it raises, and for how it is spent.

As currently proposed, the SRA would empower the FRMA's (the Environment Agency, the IDBs, the Lead Local Flood Authority (Somerset County Council) and the Somerset District Councils) to take on a broader role, to ensure that Somerset's flood risk management activity benefits from the collective wisdom, experience and knowledge of all its members.

The SRA would not diminish the responsibilities of the individual partners, nor those of riparian owners. The existing FRMA's and their existing associated funding streams, responsibilities and accountabilities would continue. However, opportunities would be taken to join up delivery where agreed. The underlying principle would be one of joint working, which recognises existing organisational accountabilities.

(b) Scope and Role

As proposed, the SRA would commission the delivery of a costed, co-ordinated Business Plan for enhanced maintenance of river channels, important ordinary watercourses and river flood banks across the whole of Somerset. This would include dredging, and maintenance of dredged profiles. The SRA would also oversee an associated Common Works Programme.

It is also envisaged that the SRA could commission capital works and land management programmes which reduce flood risk, and could provide "partnership funding" to allow more schemes to enter the EA's work programme.

The SRA would also in due course take over driving forward the implementation of the Flood Action Plan from the Leaders' Implementation Group. The scope of the SRA would include strategic planning, land management and building local resilience as key activities, and with community engagement around these responsibilities.

The SRA would not include within its scope, activities associated with emergency response and recovery, or with coastal flood risk.

(c) Funding

The proposal is to set up the SRA as a separate precepting body (like the Fire and Rescue Authority), which could raise funds from all households across the whole of Somerset, and from agricultural landowners in Somerset outside the existing IDB areas. Steps would be taken to achieve a more equitable distribution across Somerset of any charges levied for flood risk management and drainage purposes. The potential of funding contributions from business rates is also under consideration.

The IDBs would continue to set budgets for their work programmes as at present, but any special levy would, in future, be placed on the SRA. Existing sources of capital

funding for flood risk management would need to continue to be available to the individual partner organisations.

There will need to be greater clarity on the way flood risk management funding is made available throughout Somerset, to balance addressing local flood risk concerns with more strategic priorities, and, in the longer term, to avoid an excessive focus on the Levels and Moors.

Ministerial discussions on a Government agreed position on how future funding is to be raised are on-going and no definitive position has yet emerged.

(d) Interim funding

The timescales involved with establishing a new precepting body indicate that new funding raised through this mechanism would not be available for the coming financial year of 2015/16. Accordingly, interim funding of £2.7m is being sought from Central Government. Members will recall the statement made by the Prime Minister at the time of the floods in February:

“We cannot let this situation happen again”.

This further funding will enable the continuation of the flood risk management work which has been initiated in 2014/15, with the additional funding that has already been made available. A copy of the letter sent by the leaders of the County and District Councils to the Secretary of State for the Environment, Food and Rural Affairs on this matter is attached (Appendix 2). Given the timescales involved, and the constraints under which councils operate in raising funding through council tax, it would not be possible for this additional funding to be raised in 2015/16 by the District Councils as billing authorities through council tax bills.

(e) Proposed SRA Governance

The current proposal is that the SRA would be a new and separate body. Each of the local partners (see para 5) would be represented on the SRA Board. There would need to be a technical group sitting beneath the Board, which would be drawn from the existing Somerset Flood Risk Advisory Group and Flood Action Plan Programme Board. To be cost effective, an authority would need to act as host for the SRA functions. The costs of the host authority would be covered by the funding raised by the SRA. However, the SRA would utilise the staff resources of its constituent bodies rather than employing its own staff. Scrutiny arrangements would need to be determined.

(f) Relationships with Other Organisations

There is a recognised need to establish clearly understood relationships between the proposed SRA and other organisations involved in flood risk management. However, the existing Somerset Water Management Partnership would be seen as a key stakeholder group providing a forum for wider stakeholder consultation for the SRA. It is proposed that there will be widespread consultation with stakeholders and the wider community in developing the proposal further.

(g) The Way Forward

While much progress has been made, there remains much to do to develop the proposal further and secure its implementation.

- There will be a need for continuing lobbying.
- At this stage, each of the partners for the project are currently seeking to secure endorsement as outlined in this report.
- Agreement will be needed with Central Government on the processes to be used in establishing a new precepting body. The lead-in time for doing so means that the Somerset Rivers Authority, as proposed, could not be fully functional before April 2017, however members will be kept informed via future update reports.
- However, subject to securing the necessary endorsements and funding and wider consultation, a Shadow Somerset Rivers Authority (SSRA) could be operational from April 2015. This would undertake the detailed planning and put in place the necessary arrangements for the new authority.

A further more detailed report will be brought to Members early in 2015 following work by the Leaders Implementation Group on the creation of a SSRA. That report will set out the proposed terms of reference, objectives and membership of the SSRA together with:

- The timetable for the completion of a detailed business case for the proposed creation of the Somerset Rivers Authority from 2016.
- Details of what approvals are required from the Government, partners and local councils to create the Somerset Rivers Authority

8. Options considered and reasons for rejecting them

The interventions believed to be necessary to create a long-term sustainable future for Somerset in the event of severe flood events were reviewed widely in the preparation of the Flood Action Plan. In selecting mechanisms for implementing the Flood Action Plan, the proposal to establish the Somerset Rivers Authority as a precepting body has the advantage of raising additional funding locally in a transparent way, and one which would not be constrained by the restrictions which apply to the existing local authorities.

The underlying principle of any precept would be “locally raised, locally administered, locally spent”.

Alternative proposals to progress a catchment-wide funding mechanism through the extension of the boundaries of the IDBs have been considered. However, with IDB levies on District Councils needing to be funded through the councils’ own budgetary processes, this option would neither be deliverable, due to the constraints on councils, nor transparent.

9. Financial Implications

At this stage there are no direct financial implications as a result of this decision. Progress in the current financial year will be funded from resources allocated through the Flood Action Plan. Any future financial implications arising from the report will be the subject of a subsequent report and decision.

10. Legal Implications

At this stage there are no direct legal implications as a result of this decision. However, there will be significant legal consequences associated with establishing a separate

precepting body, and these will be addressed in any subsequent reports brought forward for decision.

The creation of a new precepting body will require specific approval from the Government as the LIG partners have no individual or collective legal powers to do so.

11. Corporate Priority Implications

The Flood Action Plan links closely with the vision set out within our Council Plan. In particular the objectives which seek to create a thriving local economy, maintaining employment and business vitality, supporting positive environmental outcomes, protecting and promoting health and wellbeing support communities to help themselves and become more resilient. It would also bring crucial benefits by creating better links by joining up with partners, to ensure that services are more effectively delivered to Somerset's residents.

12. Carbon Emissions and Climate Change Implications

None directly arising from this report.

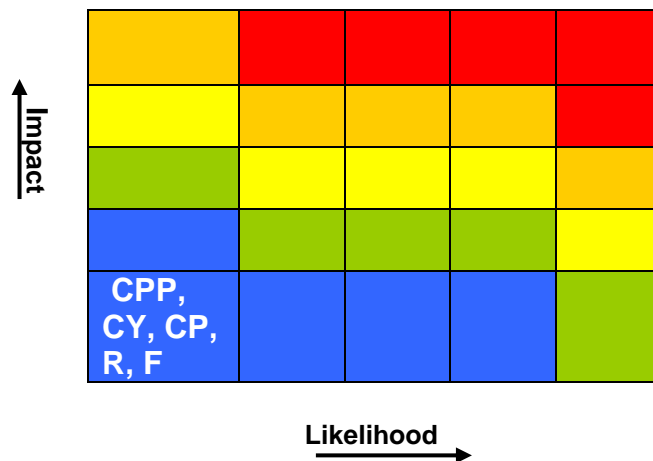
13. Equality and Diversity Implications

None directly arising from this report but for interest the SCC equality impact assessment is attached at the end of Appendix 1.

14. Risk Implications

If new collaborative arrangements for the funding, co-ordination and delivery of flood risk management in Somerset are not developed and agreed, there is a significant risk that the intensity and duration of flooding events will continue to adversely affect local communities and businesses, and the District Council in the delivery of its services. The council's budgetary planning would be likely to be adversely affected, along with its reputation.

Key risks also apply to the support from Government, retaining the current County-wide consensus on the principles and the timescales associated with making the changes required. Unless momentum is able to be maintained in the delivery of this project, there are risks that the new funding arrangements proposed will not be in place for financial year 2016/17.



Key:**Categories:**

R = Reputation

CpP = Council Plan Priorities

CP = Community Priorities

CY = Capacity

F = Financial

Colours:

Red = High impact & high probability

Orange = Major impact and major probability

Yellow = Moderate impact and moderate probability

Green = Minor impact and minor probability

Blue = Insignificant impact & insignificant probability

15. Background Papers

The Somerset Levels & Moors Flood Action Plan – Executive Summary, March 2014.

The Somerset Levels & Moors Flood Action Plan - A 20 year plan for a sustainable future – Full Plan March 2014.

Appendix 1

Questions and Answers - The Somerset Rivers Authority (Released on 31.10.2014)

SSDC and all other councils in Somerset are being asked to agree a proposal for a Somerset Rivers Authority that has been put forward by a special working group as part of the Flood Action Plan.

This includes being asked to endorse progress so far, and recommends creation of a Shadow Authority - subject to Government agreement to provide £2.7m interim funding, as well as supporting legislation to allow it to become a precepting authority (like the Fire and Rescue Service – see details under Funding).

The proposal follows intensive work that considered various options, and has been endorsed by the partners involved in the Flood Action Plan's Leaders Implementation Group. It is still a 'work in progress' before final proposals are formally consulted on, and can be firmed up and implemented.

The following Questions and Answers explain the proposal:

What is the Somerset Rivers Authority (SRA)?

Flood risk management funding from Central Government to the Environment Agency provides a certain level of flood protection, but with local communities wanting a higher level of funding and protection, the SRA would determine what further work needs to be done and raise funds from local communities and other sources to deliver that work. In addition it would:

- Provide a strategic overview and be *the* advocate of what is needed for Somerset in reducing flood risk.
- Be accountable for the current Flood Action Plan, for a co-ordinated and joined up approach to the delivery of flood risk management across the whole of Somerset; for the funding it raises, and for how it is spent.
- Empower the Flood Risk Management Authorities (the Environment Agency, the Internal Drainage Boards, the Lead Local Flood Authority - Somerset County Council - and the Somerset District Councils) to take on a broader role, ensuring Somerset's flood risk management activity benefits from the collective wisdom, experience and knowledge of all its members.

It would not diminish the roles, funding and responsibilities of the individual partners (nor those of landowners), but would enable joint working opportunities.

Why do we need it (and what is currently in place)?

The main provider of flood risk management activities is the Environment Agency, whose funds and investment decisions are based on national assessment and cost benefit analysis. After the flood event of 2013/14 the Somerset Levels & Moors Flood Action Plan was developed to achieve a long term vision for the area in which the frequency, duration, depth, extent and impact of flooding had been reduced.

The creation of a SRA is among the risk reduction actions in the Plan, to deliver greater local control and responsibility for maintaining and improving water and flood risk management on the Levels and Moors.

In addition to the Environment Agency's responsibilities and duties, drainage on the Levels and Moors is managed by the Internal Drainage Boards and county and district councils also have flood risk management responsibilities both on the Levels and Moors and in the wider county.

What will it do?

As part of its scope and role the Somerset Rivers Authority would:

- Commission a costed, co-ordinated Business Plan for enhanced maintenance of river channels, important ordinary watercourses and river flood banks across the whole of Somerset. This would include dredging, and maintenance of dredged profiles. It would also oversee an associated Common Works Programme.
- Commission capital works and land management programmes which reduce flood risk, and could provide "partnership funding" to allow more schemes to enter the Environment Agency's work programme.
- Take over implementation of the Flood Action Plan.

Its scope would include strategic planning, land management and building local resilience as key activities, with community engagement around these responsibilities. It would not include emergency response and recovery, or coastal flood risk activities.

Who has drawn up the proposal for the SRA?

With the endorsement of the partners involved in the Flood Action Plan's Leaders Implementation Group, a (SRA) Project Key Partners Group has been established to advise on developing the project. It includes representatives from the Internal Drainage Boards (IDBs), the County and District Councils, the Department for the Environment, Food and Rural Affairs, the Department for Communities and Local Government, Natural England, the Environment Agency (EA) and the Wessex Regional Flood and Coastal Committee (WRFCC).

Governance - Who will be responsible for it?

The current proposal is that the SRA would be a new and separate body, with each of the local partners (mentioned above) represented on its Board. It would need to be a precepting body (see section below) and this would require supporting government legislation, which has been requested.

There would need to be a technical group beneath the Board, drawn from the existing Somerset Flood Risk Advisory Group and Flood Action Plan Programme Board.

To be cost effective, a member authority would need to act as host for the SRA, with costs covered by SRA funds, and the SRA would use the staff resources of its members rather than employ its own staff. Scrutiny arrangements would need to be determined.

Funding - Who will pay for it?

Funding is already levied from agricultural landowners on the Levels and Moors, as well as indirectly from all Somerset households. The SRA proposal is for a separate precepting

body (like the Fire and Rescue Authority), which would raise additional funds from all households across the whole of Somerset and from agricultural landowners in Somerset outside the existing Internal Drainage Board areas. The funding for the SRA would be clearly identified in council tax bills.

Funding contributions from business rates are also being considered.

The proposal states that there will need to be greater clarity on the way flood risk management funding is made available throughout Somerset, to balance addressing local flood risk concerns with more strategic priorities, and in the longer term, to avoid an excessive focus on the Levels and Moors. Although the flood event of 2013/14 directly affected homes and businesses on the Levels and Moors, flood risks exist throughout the county and affect all aspects from business to tourism to travel.

Until the SRA is operational, interim funding of £2.7m for the coming financial year of 2015/16 is being sought from the Secretary of State for the Environment, Food and Rural Affairs, to continue work begun under the Flood Action Plan.

The Internal Drainage Boards would continue to set budgets for their work programmes as at present, but the special levy would in future be dealt with by the SRA. Existing sources of capital funding for flood risk management (in the main, central government funding through the Environment Agency) would need to continue to be available to individual partner organisations.

What levy would householders and agricultural landowners be expected to pay?

The annual funding required is still being calculated. However, the £2.7m funding sought for 2015/16 would be the equivalent of a 1% increase on council tax bills (i.e. the total bill, including County, District, Parish and Police and Fire and Rescue charges).

How will the required funding be spread across householders and landowners throughout Somerset?

There are a number of different options for this and we are still reviewing these.

When will the SRA start and what are the next steps?

While much progress has been made, there remains much to do to develop the proposal for the SRA further, and secure its implementation. At this stage, each of the partners for the project will seek endorsement for progress so far and 'in principle' support for the creation of a Shadow Authority.

Agreement will be needed with central government on the processes to be used in establishing a new precepting body, and for interim funding. Subject to this, as well as securing the necessary endorsements and wider consultation that would need to take place, a Shadow Rivers Authority could be operational from April 2015.

This would then undertake the detailed planning, and put in place the necessary arrangements for the new SRA to be operational from April 2016.

Has the government agreed to interim funding / legislation to become a precepting authority?

Earlier this year, the previous Secretary of State, Owen Paterson, was supportive of finding the £2.7m funding. As a result this month, John Osman, Chairman of the Flood Action Plan Leaders Implementation Group and Leader of Somerset County Council, together with all Somerset's Local Authorities' Leaders, wrote to Elizabeth Truss, Secretary of State for the Environment, Food and Rural Affairs requesting interim funding and the necessary legislation.

The Secretary of State's response was received on October 28. It said:

"I understand that the source and mechanism for the sustainable long term funding of the Authority will take some time to finalise and that you have not yet been able to identify funding for next year. I have asked my officials to work with you and the Environment Agency to discuss the outcomes we want to achieve and the projects that would be required. The SRA must be in place, in some form, in order to receive any future funding and take forward this work. In the short term I encourage you to press on with appointing a chairman and board."

In view of the above, what will the next steps be?

The Flood Action Plan Leaders Implementation Group is due to meet on 6 November and will be discussing the next steps at that meeting.

Impact Assessment Form and Action Table 2014 - 2016 (Expand the boxes as appropriate, please see guidance www.somerset.gov.uk/impactassessment to assist with completion)			
<p>"I shall try to explain what "due regard" means and how the courts interpret it. The courts have made it clear that having due regard is more than having a cursory glance at a document before arriving at a preconceived conclusion. Due regard requires public authorities, in formulating a policy, to give equality considerations the weight which is proportionate in the circumstances, given the potential impact of the policy on equality. It is not a question of box-ticking; it requires the equality impact to be considered rigorously and with an open mind."</p> <p style="text-align: center;">Baroness Thornton, March 2010</p>			
Why are you completing the Impact Assessment?			
Proposed New Policy or Service	<u>Change to Policy</u> <u>or Service</u>	MTFP or Paper	Service Review or SCC Change Programme
What are you completing the Impact Assessment on (which policy, service, MTFP reference, cluster etc)?		Proposal to establish a Somerset Rivers Authority	
Section 1 – Description of what is being impact assessed			
The Recommendation: That the Cabinet endorses progress to date in the development of the Somerset Rivers Authority proposition, and the way forward as set out in the report, with a further report to follow in due course.			

Section 2A – People or communities that are **targeted or could be affected** (for Equalities - taking particular note of the Protected Characteristic listed in action table)

Whole of Somerset

Section 2B – People who are **delivering** the policy or service

Staff of Existing Flood Risk Management Authorities

Section 3 – Evidence and data used for the assessment (Attach documents where appropriate)

Flood Action Plan

Section 4 – Conclusions drawn about the impact of the proposed change or new service/policy (Please use **prompt sheet** in the guidance for help with what to consider):

Community Safety – the aim is to improve community safety

Equality Issues that will need considering as the proposal is developed further are likely to include:

- The standing of the proposed SRA, and any agreements which underpin it, in relation to the Equality Act 2010;
- Adding clarity to the ways in which the SRA will be representative of the community;
- Further consideration of the ways in which the SRA will reflect the various characteristics and interests of the communities in Somerset, in terms of equality and diversity;
- Developing mechanisms to ensure that information from and regarding the SRA will be openly accessible.

Health and Safety – none identified at this time

Health and Wellbeing – the aim is to improve community well-being

Privacy – none identified at this time

Sustainability – the aim is to provide a long term sustainable funding solution to flood risk management

Risk

Please consider and record the potential risks to the Council following completion of the Impact Assessment. Use the RAG matrix to consider the possible areas of risk, for example, financial, reputation, social. Score the accumulative risk and record here.

Likelihood	2	Impact	2	Risk Score	4
Section 5 – After consideration please state your final recommendations based on the findings from the impact assessment. Also include any examples of good practice and positive steps taken.					
No issues identified at this time.					
Section 6 - How will the assessment, consultation and outcomes be published and communicated? E.g. reflected in final strategy, published. What steps are in place to review the Impact Assessment					
The impact assessment will be reviewed as the project progresses.					
Completed by:			Martin Buckle		
Date			31.10.14		
Signed off by:			Sarah Diacono		
Date			31.10.14		
Compliance sign off Date					
To be reviewed by: (officer name)			Paula Hewitt		
Review date:			31.10.14		
Version	0-6		Date	31.10.14	