The Somerset Rivers Authority and Flood Action Plan – Update Report

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1. Purpose of the Report

1.1 The report updates Council on the development of the Somerset Rivers Authority (SRA) since the report to District Executive in August 2015. The report sets out progress since that date, together with the ongoing proposals for future funding.

2. Public Interest

- 2.1 The flooding across a wide area of Somerset in the winter of 2013-14 brought wide spread distress to South Somerset. Many homes were flooded for long periods, Muchelney was cut off for about ten weeks and many roads were closed. The impact was therefore felt by the many of South Somerset residents and businesses.
- 2.2 The flooding attracted national Government interest and Somerset partners were requested by the Defra Secretary of State to develop a Flood Action Plan and, at a later date, to form the Somerset Rivers Authority. The Somerset Rivers Authority coordinates all the work of the partner agencies and organisations in order to make best use of existing and additional resources.
- 2.3 Defra and DCLG conducted a review of the options for ongoing funding of the SRA and the Somerset partners responded in Autumn 2015 to that review by stating that a precepting option was the best of the available alternatives for long term funding. On 17 December 2015 we received a letter (attached as Appendix A) from Greg Clark, MP, Secretary of State for Communities & Local Government and Elizabeth Truss, MP, Secretary of State for the Environment, Food & Rural Affairs, stating that Somerset was being offered the opportunity to set up a shadow precept in order to raise monies for the enhanced work programme of the SRA. This report sets out our response to that offer.

3. Recommendations

3.1 That Full Council:

- (1) Notes progress to date in the development of the Somerset Rivers Authority and South Somerset District Council's position on the way forward as set out in the report.
- (2) Recommends that South Somerset District Council takes up the offer to create a shadow precept on the basis that Central Government has agreed that it will continue to work with the Somerset Authorities on developing a long term funding solution.
- (3) That £108,122, the equivalent of 1.25% increase in council tax is passported to the Somerset Rivers Authority in 2016/17.

4. Background

- 4.1 The Levels & Moors 20 Year Flood Action Plan (2014) was signed off by the Secretary of State in March 2014. It included a proposal to create a Somerset Rivers Authority to:
 - Provide a renewed, co-ordinated and joined-up approach to addressing flooding and resilience issues.
 - Develop new approaches to the management of the drained areas and the wider catchment, and
 - Enhance local leadership.
- 4.2 Members will recall that the focus of the Somerset Rivers Authority now covers the whole of Somerset, rather than just the Levels and Moors area. This is to ensure that all areas have the potential to benefit from the joint working and any funding available for flood alleviation measures. None of the existing flood management responsibilities of any partners or riparian owners has been changed by the introduction of the SRA. Existing day to day work has been brought together in the Common Works Programme while new work, requiring new money, is brought together in the Enhanced Work Programme.
- 4.3 Progress on the delivery of the action plan was reported to District Executive in August 2015 and there have been many benefits seen in the South Somerset district including ring banks, raised roads and highway schemes. In the last few months, the main effort has been focused on the Sowy/King Sedgemoor Drain plans and more pioneer dredging on the Parrett. In addition, there is good progress on both the Parrett barrier and the upper Tone catchment projects. Officers have also been working on prioritising the projects for 2016-17. There is a particularly informative and pictorial update on the following link detailing recent progress with photographs diagrams giving more detail on many projects. http://www.somersetriversauthority.org.uk/our-work/flood-action-plan/progressupdate-report/
- 4.4 The future funding of the SRA has also been a particular focus.

5. Future Funding

- 5.1 Following a major review for long-term funding earlier in 2015, the SRA unanimously agreed that a precepting organisation was the best long term solution that was both acceptable to both central government and appropriate for Somerset. However, as this requires primary legislation, it still left the question of how funding would be raised in the interim. The SRA only received confirmation from Central Government on 17 December 2015 (see Appendix A) about how the 2016-17 enhanced works programme could be funded. In summary, the Government is not putting any further interim funding into the SRA but instead has allowed Somerset councils to raise their council tax by 1.25% (on top of any local increases) in order to set a shadow precept which can be passported to the SRA to deliver next year's projects and actions.
- 5.2 The SRA has met informally to discuss the implications of this letter and has reached consensus that the proposal from central government, although not by any means ideal, does mean that there is some way to continue the work that is so important to many of our residents. The key points raised in discussion were:

- That the commitment to finding a Somerset solution was welcomed and that a fresh approach to national and local flood management funding was needed.
- That it was important not to disadvantage Somerset and that it must be agreed that any precepted monies must be kept for the enhanced programme.
- There was a new perspective to consider. If Somerset accepts local responsibility for enhancing flood risk protection then other areas of the country affected in the winter of 2015-16 may be adversely affected by the precedent. Conversations with those areas will happen between now and the budget decision in February in order to make sure that we coordinate our views nationally.
- The option to create a shadow precept is helpful, but only in the short term as
 - The SRA needs to have independence via its own precept if it is to be accountable for the delivery of the enhanced works programme. An arrangement where each council collects a portion of the finance leads to a loss of autonomy and risks losing the holistic focus and accountability needed.
 - Annual renegotiations on funding renewal are time-consuming and add significant risk to future funding.
 - With funding being raised only by local authorities it questions the future role of Internal Drainage Boards who bring valuable experience to the table.
 - The 1.25% uplift in council tax was based on an assumption based on 2015-16 needs and does not take into account the real needs within the enhanced work programme. While this may be manageable for one year, it puts future delivery into question.
- 5.3 For all these reasons, the SRA partners have reached consensus that this arrangement must be accompanied by a Memorandum of Understanding between the SRA and Central Government that we continue to work together with urgency to deliver a precepting body.
- 5.4 Two letters from the Chairman of the SRA to the Secretaries of State (DCLG and Defra) are attached as Appendix B summarising the response of the partners of the SRA.

6. Financial Implications

- 6.1 The Government has outlined that SSDC can raise council tax by 1.25% as well as up to 2% to support services without triggering a referendum. This is on the basis that the council tax raised is passported to the SRA. The 1.25% increase adds £1.85 to a Band D property and will raise £108,122 overall. Once the SRA is a separate precepting authority the Government will force an equivalent reduction in council tax for SSDC so there is no overall impact on the taxpayer.
- 6.2 The announcement regarding the method of funding has not been reflected in the CTRS for 2016/17 as the Council tax Base had been set before the announcement was made. As a result sufficient funding for next year has been retained within the Collection Fund. If SSDC passport the £108,122 the risks of non-collection etc will

remain with this Council. However, this is the simplest and most effective method of funding in this interim period.

7 Council Plan Implications

7.1 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.

8 Carbon Emissions and Climate Change Implications

8.1 None directly arising from this report.

9 Equality and Diversity Implications

9.1 None directly arising from this report.

10 Privacy Impact Assessment

10.1 None arising from this report

11 Background Papers

Report to District Executive, December 2014

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.

Report to District Executive, August 2015