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Secretary of State for Communities and Local Government

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Dear John,

Thank you for your letter of 13 October confirming that the Somerset Rivers Authority's preferred funding solution is a precept.

We are delighted to confirm that we can agree to give Somerset the flexibility to put in place a 'shadow' precept from April 2016 in recognition of the importance of the SRA continuing its vital work. We will also continue to work with you on developing a long term funding solution in line with our phone discussion.

We will give Somerset authorities the ability to raise additional funds through council tax for the SRA from 2016/17. We will do this by setting 'Alternative Notional Amounts' (ANAs) for Somerset authorities, which means raising their 2015-16 Band D council tax baseline for the purposes of determining referendum principles. We have published a draft ANA report alongside the provisional Local Government Finance Settlement. Authorities in Somerset can comment on the report before this is finalised in late January/early February.

You will be able to state on the face of Somerset council tax payers' bills the additional council tax payment in 2016-17 that is attributable to the SRA. This will allow a locally funded, transparent, ring-fenced budget for the SRA to be put in place, which has no impact on existing council budgets.

We would also like to take this opportunity to confirm that the SRA's funding will be for additional flood management works on top of those already carried out by the Environment Agency, the internal drainage boards and local authorities. In the Spending Review we committed to protecting maintenance funding, in real terms, over the course of the next Parliament. Over the next six years, we are also planning to spend £15.5 million of capital investment in Somerset on flood defence improvements, including £4.2 million on the Somerset Levels and Moors alone. 7,000 properties across Somerset will be better protected by 2021. The Environment Agency have also prioritised work to develop and design the Bridgwater Barrier scheme. It is expected that this will be completed by 2023.

We remain committed to the SRA and continuing to support its work to ensure the people of Somerset can be better protected from flooding in future.

Best wishes,

**GREG CLARK MP** 

**Secretary of State for Communities and Local Government** 

**Elizabeth Truss MP** 

Mysleh Juns

Secretary of State for the Environment, Food and Rural Affairs