

HAMPSHIRE COUNTY COUNCIL**Executive Decision Record**

Decision Maker:	Executive Member for Environment and Transport
Date:	15 September 2016
Title:	Flood Risk and Coastal Defence Programme - Priorities
Reference:	7526
Report From:	Director of Economy, Transport and Environment

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1. The decision:

- 1.1 That the progress on schemes within Hampshire County Council's Flood Risk and Coastal Defence Programme be noted.
- 1.2 That approval be given for further work to be undertaken to develop those schemes as shown included in the 'Main Programme' at Appendix 5 of the supporting report.
- 1.3 That approval be given for further engagement with Defra to seek a change in the way that the Flood Coastal Erosion Risk Management process and funding is operated and applied.

2. Reasons for the decision:

- 2.1. Since 2011, the County Council has committed over £7.0m of capital resources to fund works for flood defence and coastal sites. Prior to the flood events in winter 2013/2014, the key priorities were sites emerging from the Local Flood Risk Management Strategy (LFRMS) and Surface Water Management Plans (SWMP), and sea defences to protect the County Council's own assets at Calshot Quay and Royal Victoria Country Park.
- 2.2 Following the flooding in 2013/2014, in March 2014, the County Council submitted 33 bids to the Department for Food and Rural Affairs (Defra) for inclusion in the national Flood and Coastal Erosion Risk Management (FCERM) investment programme for 2015 – 2021 (refer Appendix 1).
- 2.3 The final outcome of the bids to Defra was confirmed in March 2015 with the publication of the FCERM programme for the next six years (2015/16 to 2020/21). Within Hampshire, 7 projects submitted by the County Council were allocated indicative Flood Defence Grant in Aid (FDGiA) funding, with 5

projects having indicative Local Levy (LL) funding via the relevant Regional Flood and Coastal Committee (refer Appendices 2 and 3). So far, the County Council has been able to supplement local capital resources by drawing down £2.096 million of funding from these, and other partnership funding sources.

- 2.4 A significant amount of work has taken place during the last 2 years to develop measures to improve flood risk management. This includes improvements undertaken by the County Council in its role as the Highway Authority to improve drainage or in its Emergency Planning role to help develop risk management at the local level, and many similar initiatives carried out by the County Council's district partners and local communities. However, it has become increasingly apparent that there is an urgent need to review the priorities for flood defence sites to ensure that the use of the Flood Risk and Coastal Defence Programme (FRCD) budget takes account of the potentially high demand for resources and funding from bids submitted to Defra, and other locations that have been identified.
- 2.5 Critically, this need to revisit the prioritisation of locations is also driven by the County Council's experience of the FCERM process since 2014. In particular, the indication that on average at least 60 - 70% of the overall scheme cost may need to be met from stakeholder/partner contributions in order to 'unlock' national FDGiA funding. In the context of increasing public sector financial constraints, and limited access to private sector funding, it will be a challenge to close this sort of gap on major schemes, and impossible for the FRCD programme to sustain this level of investment across all locations.
- 2.6 All the bids submitted to Defra for funding in March 2014, and those additional locations that have been identified subsequently, have therefore been reassessed against a robust set of criteria. Those locations where work has already been undertaken or where further action is no longer considered to be required (refer Appendix 4) were excluded from this process.
- 2.7 The outcome of the prioritisation process is a 'Main Programme' and a 'Pipeline Programme' as set out at Appendix 5 and Appendix 6. Locations in the 'Pipeline Programme' would be brought forward into the 'Main Programme', and be investigated further, as the higher ranked schemes are either shown not to be viable, additional resources become available or other circumstances such as a flood event cause a review of priorities.
- 2.8 It is proposed that a flexible approach is taken to the utilisation of FRCD programme resources required for the delivery of schemes in the 'Main Programme', and needs are assessed on a case by case basis. For major schemes, such as Romsey and Buckskin, this will be set out within a Project Appraisal which will be presented to the Executive Member for decision. It is anticipated that the level of FRCD programme investment for most schemes

will be relatively low. Where these fall within prescribed limits, a decision will be made by the Director of Economy, Transport and Environment.

3. Other options considered and rejected:

- 3.1 A range of options have been considered for both the initial prioritisation process and the utilisation of the FRCD programme funding.
- 3.2 Criteria considered and rejected for use in ranking schemes included the number of stakeholders/partners involved, alignment with other investment programmes and number of flood source mechanisms. However, these were deemed to be difficult to evidence and inconsistent with the aim of providing a simple and robust set of criteria that could be easily applied.
- 3.3 A number of options have been considered for establishing what level of contribution could be made available from the FRCD programme for the delivery of those schemes within the 'Main Programme'. For example, a fixed percentage or capped financial contribution to the scheme, a 'sliding scale' related to the overall scheme costs and/or benefit cost ratio, or a figure tied to the level of external contributions secured. Unfortunately, none of these appeared to adequately address the need for the County Council's investment to respond to the needs of individual schemes flexibly, and on a case by case basis.

4. Conflicts of interest:

- 4.1 Conflicts of interest declared by the decision-maker: None
- 4.2 Conflicts of interest declared by other Executive Members consulted: None

5. Dispensation granted by the Conduct Advisory Panel: none.

6. Reason(s) for the matter being dealt with if urgent: not applicable.

7. Statement from the Decision Maker:

Approved by: -----	Date: 15 September 2016
Executive Member for Environment and Transport Councillor Rob Humby	

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