ITEM 2

SRA BOARD MEETING – 20th APRIL 2016

THE SRA BOARD

Minutes of a Meeting of the Board of the Somerset Rivers Authority held at the offices of West Somerset Council on Wednesday 20th April, 2016 at 10am.

PRESENT

Cllr J Osman (in the Chair)
Tony Bradford, Parrett IDB, Vice-Chairman
Ray Adlam, Axe Brue IDB
Cllr Anne Fraser, SDC
Andrew Gilling, Axe Brue IDB
Nick Gupta, EA
Matthew Heard, Natural England
David Jenkins, Wessex RFCC
Cllr Tom Killen, MDC
Peter Maltby, Parrett IDB
Cllr Ric Pallister, SSDC
Cllr Anthony Trollope-Bellew, WSC
Cllr John Williams, TDBC

In Attendance:
Rachel Burden, EA
Brendan Cleere, TDBC
Sarah Diacono, SRA
Cllr David Hall, SCC
Paula Hewitt, SCC
Barry James, SCC
Nick Stevens, SDBC
Iain Sturdy, SDBC

Apologies for absence:
Doug Bamsey, SDC
Kathryn Holdsworth, Defra
Cllr Duncan McGinty, SDC
Cllr Harvey Siggs, MDC

1. DECLARATIONS OF INTEREST – agenda item 1

No new declarations of interest were made, beyond the usual ones already recorded by Members.

2. MINUTES OF MEETINGS OF THE SRA BOARD HELD ON 23rd MARCH 2016 - agenda item 2

The minutes of the Board Meeting held on 23rd March 2016 were signed as correct, subject to two minor amendments. Cllr Osman said that representatives of Defra and DCLG would attend the next Board meeting.

3. PUBLIC QUESTION TIME – agenda item 3

One question had been received from a member of the public, which Sarah Diacono said was very complex. An answer was being drafted and would be circulated to the Board. It was about responsibilities for maintenance and how to ensure that maintenance would be carried out, when several agencies or people were involved. Cllr Osman said it was important to ensure that all questions to the Board were presented to Board meetings, as members needed to see what the public was asking.

The Board discussed whether they should to continue to meet at different places around the county. Variation of venues was intended to make it easier for members of the public to attend, but there were none today and numbers elsewhere had been low. As dates and venues for forthcoming meetings had been fixed, and as the point was made that the Board was beyond criticism if it did move its meetings around Somerset and give people opportunities to attend, members agreed to keep the year's calendar as it was but to review the situation in future.

4. FLOOD RE – agenda item 4

Cllr Osman introduced Mark Hoban, the chairman of Flood Re. Insurance was an extremely important issue to Somerset, on which Cllr Osman noted that Cllr Ric Pallister had done a huge amount of work after the crisis of 2013/14.

Mr Hoban said that Flood Re had successfully launched on April 4. Its purpose was to enable insurers to offer cheaper premiums and lower excesses, particularly to people who had been flooded before. Mr Hoban said that people who had been having excesses of up to £25,000 could now get excesses of £250 and some people's premiums had fallen by over three quarters. He explained that Flood Re had come about as a partnership between the Government and the insurance industry, and detailed how it worked. In particular, it did not cover businesses, and it was only for homes built before January 1, 2009, so as not to incentivise development in higher flood risk areas. There were special rules for leasehold blocks, social housing and bed and breakfast operations. Flood Re was due to be wound up in 2039, so it was important to think about reducing the cost of flooding, as that was the only way in the long term to get affordable flood cover. Three main areas of work were being looked at:

- Flood risk management (fewer floods)
- Resilience (households and communities better prepared; not out of their homes for so long)
- Cost of repairs (issues such as accelerating the drying process, better ways of repairing houses)

Flood Re had few powers and could not spend money on flood defences. It was required to work in partnership with a range of bodies, and find ways to co-operate.

Mr Hoban said that over time Flood Re would develop the most comprehensive database of flood risk in the country, a data asset that it would look to share with partners, which would be useful when considering flood defence schemes or local measures.

The following points and questions were raised during the discussion:

- Should loss adjusters insist on restoring properties exactly as they were before a flood? If it was desirable to make properties more

resilient, would it not be sensible and practical to take the opportunity to do things such as putting electricity points halfway up a wall in a building that was obviously in a flood risk area? Mr Hoban replied that if it cost no more to make a home more resilient, then insurers were very happy to do that, a fact that should be better known. However, there was a problem with aesthetics. People did not necessarily like such adjustments. A biq question, therefore, was how to incentivise consumers to accept changes that might not be considered very attractive but which would make a big difference to how long they might be out of their homes. The difference could be between two years – or a few weeks – while some people in Cumbria who had made their homes more resilient were back in a matter of days. Mr Hoban concluded by saying that there was an issue with insurers if it cost more to do work to a property.

- Issues with equity. Different people appeared to be benefitting from Flood Re, according to the council tax banding of their house. Anecdotal evidence also suggested that people in one ward in Somerset had got faster, better treatment if they had not been insured than if they had. Such varying and divisive experiences suggested that it might take people quite a long time to properly understand the modern insurance market. Mr Hoban said that for homes in areas that had not flooded a Flood Re backed policy could be more expensive. A lot depended on issues such as insurers' levels of local understanding and attitudes to risk. People should be prepared to talk to each other about prices and situations; to go back to their current insurers to talk about deals; and to shop around, as more insurers continued to join Flood Re.

- Could people claim for the same flood twice? For example, if they had moved back in to their homes too quickly and were now suffering severe problems because damage was re-occurring. Mr Hoban said that with Flood Re it did not matter how many times people had been flooded. Flood Re recognised that people might have been flooded more than once; it wanted people who qualified to feel confident they could claim and still have the peace of mind that came from having relatively affordable flood insurance in future. There was nothing like a "three strikes and you're out" policy.

- Does Flood Re cover all sources of flooding (river, sea, surface water)? Yes.

- Flood Re's 2009 cut-off point highlighted the very important responsibility for planning new development really well. It should not be encouraged without thinking through the flood risk consequences. Mr Hoban said that Flood Re was interested in what the consequences of new development might be on older homes. Flood Re wanted to have a voice in the debate and be an advocate for or against methods that might increase or decrease flood risk in future. Over time, Flood Re's

work would build up a picture of the changing nature of insurers' perceptions of flood risk and its causes.

- Could Flood Re's mapping be amalgamated with the Environment Agency's? Mr Hoban said that Flood Re's data would show insurers' perspectives on the location of homes at high flood risk; Environment Agency maps were used by people who produced software for insurers; insurers could overlay their own views and own tolerances of risk. Flood Re intended to work closely with the Environment Agency and share its data set, which would add a commercial perspective to environmental and geographic issues.

- Planning committees needed technical support and advice about conditions that should be lain down on new developments, so as not to have adverse effects downstream. Mr Hoban said that Flood Re had lots of information that could be used locally, and it was very keen to find ways to communicate with local residents. Flood Re wanted to be in people's minds when they started to renew their insurance policies.

Cllr Osman summed up by saying that the SRA was committed to work with Flood Re; it was so important to get the message out to communities, everyone had a responsibility to do so. He invited Flood Re to communicate ways in which it thought the SRA could assist and said it would be really interesting in about a year's time to get an update on Flood Re's work.

7b. UPPER TONE – agenda item 7b

This item was taken out of sequence as Brendan Cleere had to leave for an appointment.

Brendan Cleere said that good progress was being made on this flood risk management scheme for Taunton. The scheme had been supported in principle when it went to the Large Project Review Group, a national body run by the Environment Agency, whose role was quality assurance and checking that schemes complied with Defra funding criteria.

Taunton Deane Borough Council was working closely with the Environment Agency on preparing a joint brief for consultants, who were going to be appointed over the summer, stakeholder and community engagement was planned over the next year, and planning approval aimed for in early 2018.

There were no questions.

5. SRA LOCAL MoU & CONSTITUTION REVIEW – agenda item 5

Cllr Osman went through the revised Local Memorandum of Understanding & Constitution page by page; there were no comments, save for David Jenkins expressing his appreciation for the work that had been done.

Sarah Diacono presented a report explaining the SRA's scheme of delegations, which had been agreed in principle at the last Board meeting, though members then also said they wanted more detail. The SRA's Management Group subsequently considered that the Board's wishes could best be expressed through a series of principles, namely:

- The SRA Board approves all programmes of work.
- No works in any of the Board-approved programmes can be deleted without SRA Board approval.
- No change can be agreed that means the total SRA expenditure exceeds the total funding available across all Programmes.
- All individual works within Programmes have tolerances set.
- These delegations will be reviewed after one year.

The delegations apply only to outstanding works in the SRA's Enhanced Maintenance Programme of 2015/16, and works in the SRA's Enhanced Programme of 2016/17.

Changes to programmes can be made by the SRA Senior Manager, in consultation with the Chair and Vice-Chair of the SRA Board, subject to the following:

- Each change requires a formal decision paper and a record of that decision will be kept.
- A report of all changes made within the previous quarter will be reviewed by the SRA Board at the SRA Board meeting at the end of that quarter.
- Each month the SRA Management Group will review all changes made the previous month.

The following changes can be made:

1. Additional works can be added as long as they are the next affordable works on the prioritised list of works of the SRA Board approved 5 Year Enhanced Programme. Tolerance up to £500,000. Sarah Diacono said that the 5 Year Approved Programme was scheduled to come for approval to the next SRA Board in July, which in practice meant that nothing could be added until after that meeting.
2. New works proposed by the Technical Group can be added to either Programme. Tolerance up to £20,000.
3. Cost increases to individual works within either Programme. Tolerance up to £500,000 or 30% of the original budget for that works, whichever is the smaller. Sarah Diacono stressed that increases had to stay within the bounds of the SRA's overall budget.

The following points were raised during the discussion:

- 30% seemed an enormous variation, suggesting something going seriously wrong with a scheme, if it went over by that much, while

£500,000 was a considerable amount of money, which might raise questions.

- Responses included: experience so far showed considerable variations in costs, with some schemes under by much more than 30% (there were no problems with that); safeguards were built in; 30% was a standard risk pot allowance; tolerances allowed for greater flexibility – further beneficial opportunities often might not be seen until a job had actually been started; it was important to be careful about a work or works were defined, and to do this with these delegations in minds; projects might all have only one line of description on a spreadsheet, but they varied in size and kind – it was mostly with smaller projects that opportunities for extra work appeared, and in such cases the sums at question might only be a few thousand; (for commercial reasons, figures were not shown for each scheme, but they were available to board members); it was suggested that a tolerance of 10% might be more appropriate in future, when the SRA's budget for Enhanced Programme works might not be so swelled as it currently was by inflows such as Growth Deal funding.
- The Board should start looking at future SRA constitutional arrangements in the third quarter, for a smoother transition – though with council tax decisions not usually taken until mid to late February, matters might well have to be revisited in late February or March.

Peter Maltby said the drainage boards had (at a meeting held before the SRA Board) unanimously agreed to sign the Local MoU & Constitution, but Board members agreed to sign it at the next meeting after final checks had been made with necessary departments such as democratic services.

6. REVISED URBAN WATER MANAGEMENT WORK STREAM – agenda item 6

Barry James said that the Upper Tone scheme, which had been in Workstream 3, was now in Workstream 1 (Dredging and River Management). As Workstream 3 had renewed its focus on urban water management, it was now being led by Somerset County Council (SCC). Taunton Deane Borough Council (TDBC) was still involved with Workstream 3, but leadership by SCC fitted with its role as the Lead Local Flood Authority.

A new item in Workstream 3 was mapping of existing SuDs (Sustainable Urban Drainage Systems) and flood alleviation schemes across the county.

As regards the planning system, SCC was now a consultee on SuDs and it provided advice to TDBC on planning matters beyond those which it was required to respond to statutorily.

Barry James said the aim was to build a process that worked from start to finish: including setting a level of design guidance that SCC wanted developers in Somerset to meet, getting involved in pre-application advice,

acting as the consultee in the planning process, working with planning authorities on conditions, and enforcing conditions afterwards.

The following points were raised during the discussion:

- West Somerset Council could approach SCC for advice on SuDs matters, even if an application was not major; that was the arrangement already in place with Taunton Deane.
- A new Flood Risk Manager would be starting with SCC at the beginning of May.
- Given the pressure from the Government for growth, local planning authorities had to be prepared to push back robustly, if they were not satisfied that a scheme genuinely promised an acceptable level of on-site containment with graduate runoff. That is what the public would be looking for. It was vital to have reliable technical advice to push back on developers.
- Applications of concern should be reported back to the SRA, so the Board knows what individual authorities are doing.
- Internal Drainage Boards assist all councils with development matters in IDB areas, but they also look outside their areas because what falls on the hills runs into the levels. So, for example, the IDB had had significant involvement with developments in Yeovil that ran out to places like Martock which had clear and long-term flood risk.
- The IDBs' role in planning applications could present an opportunity for more joined-up thinking.

RESOLVED: The Board agreed to the changes in the Work Stream as presented.

7. SPECIFIC SCHEME UPDATES – agenda item 7

7a. BRIDGWATER BARRIER – agenda item 7a

Rachel Burden said that written consultation feedback had been published from the drop-in about the Bridgwater Barrier, where seven possible locations had been presented. About 200 people had attended on the day; 30 had filled in forms. It was a little bit unfortunate that feedback was skewed by earlier media coverage, suggesting that the future of Bridgwater was café culture, navigation, yachts, and tall ships. People did like the idea of a café culture in Bridgwater but that was outside the scope of what was proposed. Nevertheless, feedback was useful, and there was overwhelming support for a barrier.

A longlist of seven possible locations was now being reduced to four, and the public would be consulted about that in July.

An Environmental Impact Assessment was underway, and a workshop was soon to be held with Transport and Works Act lawyers from Ipswich and

Boston to learn more about the how process worked, and pick up best practice.

Terms of reference were also being drawn up for a silt management working group, a matter of particular interest to the drainage boards.

The following points were raised during a brief discussion:

- Thanks to the Environment Agency, in particular for taking the time to ring back individuals who had concerns.
- Worry that skewed media coverage affected public perceptions of a scheme. If expectations snowballed, what should be a good news story could end up being felt as a failure. The Board was told there had been staff changes at one particular local newspaper.

7c. DREDGING STRATEGY – agenda item 7c

Nick Stevens said that good progress was being made. The engineers / consultants HR Wallingford had gone through a great number of historic reports and spoken to many people who had been involved with dredging, especially from the era when people felt it was being done in a particularly effective way. This had supplied a lot of information and been helpful.

Work so far had focused mainly on the Parrett and Tone, but progress was being made on the Brue, with a workable model for doing investigations and analysis of survey data helping to confirm areas needing to be looked at.

Along the Parrett, stretches of river had been identified where further dredging could produce hydrological benefits, without introducing dis-benefits.

A conceptual model of how silt moves around the system was being developed, to help focus on the best places and frequency for works.

Fine-tuning work was also being done on channel dimensions; the sensitivity of physical factors such as vegetation; and the flows of different rivers to see how one river affected another. This was producing interesting results

Some preliminary recommendations had been made on survey and monitoring methods. Improvements in technology meant these methods could now perhaps include photos taken from drones. Combined with old-fashioned cross-sectional methods of work, new technology could give more information, in particular, about how silt moves around.

Work was being done on procurement assessment, and with ecologists on reviewing environmental constraints.

The strategy was on budget, with a draft report due in May, along with two or three weeks of modelling work.

Nick Stevens ended by asking members to start thinking about whether they wished to move the dredging strategy into other areas of the catchment, beyond the Parrett, Tone and lower reaches of the Brue.

There were no questions.

8. AOB – agenda item 8

Cllr Osman detailed work that was being done on precepting legislation. He had been in correspondence with the Floods Minister and been told that the SRA was high on the Government's agenda. Cllr Osman said he had written back in sterner terms, suggesting there was a need for an immediate meeting about legislation and future finance, as the Government had relied in the past on the SRA being funded by local authorities, but this could not be guaranteed as a permanent solution. As the SRA could not afford to stand still, a twin-track approach was therefore being taken, with procurement work beginning on developing a Private Bill.

The following points and questions were raised during the discussion:

- Warm encouraging words did not mean a great deal: the Government said it was supportive, but things never got any further. When should the SRA dig its toes in? It was suggested that it might be helpful if conversations were had with other counties, particularly Cumbria and Yorkshire and Cllr Osman said he would raise this with Council Leaders during the LGA conference in the first week of July.
- Support was expressed for a Private Bill to safeguard the position of the Drainage Boards.
- Concerns were expressed that the Board workshops had been cancelled, thereby removing the opportunity to discuss things, outside of Board meetings. However it was pointed out that the workshop to discuss the MoU had been cancelled because a number of apologies had been received, and its business had been transferred to the next Board meeting, as had the business of other workshops.
- Future financing of the SRA should be a standing item on the Board's agenda and the Board must have chance to talk in person to representatives from Defra and DCLG.
- Two officers from Defra and DCLG had confirmed they would attend the Board's next meeting in July.
- Full details were still awaited of how the Government's extra £700m for flood risk management work was going to be allocated, but £350m was being held back pending the outcome of national reviews into flooding and resilience, around half of the remainder was going to large schemes in the North over the next four years, and a final tranche of £160m was due to be spent on extra revenue maintenance activities over the next four years (£40m a year). This would increase the Environment Agency's budget for revenue maintenance, and would mean additional spend in the Wessex area, which includes Somerset. It could be that if extra money went into projects that the SRA was now

planning to fund, so that the SRA no longer needed to fund them, this would mean extra money for the SRA. Other Flood Risk Management Authorities aside from the Environment Agency could also bid for this money.

- The Efra committee of MPs was visiting Somerset on 12 May.

RESOLVED: The Board decided that the future financing of the SRA should be a standing item on Board meeting Agendas.

The meeting finished at 11.45am.

Chair Signature:

Date: