

Natural Resources Wales

Board Meeting

4th September 2013

Paper Title	Flood risk management capital programme – annual board briefing
Paper Reference:	NRW B (O) 32.13
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Purpose of Paper:	Discussion / Information
Recommendation:	To note the key features of the flood risk management capital programme, including the budget, the types of activities it funds, and how the activities are prioritised and programmed for delivery. This paper will be supplemented by a presentation at the Board meeting on 4 th September.
Decision Required:	N/A

Impact: To note – all headings might not be applicable to the topic	Impact on the Environment: We invest the flood risk management (FRM) capital budget to reduce flood risk to the people of Wales. We do this with full regard to the environment, looking for environmentally favourable options with multiple benefits as much as possible. Where we have an adverse impact on the environment e.g. through construction, we mitigate this impact by, for example, providing mitigatory habitat as near as possible to the site. Impact on the Economy: Flood risk management and flood defences have a positive impact on the economy, providing jobs during design and construction, and reducing the impact (and cost) of flooding on businesses, infrastructure and properties. Impact on Community: Flood risk management interventions have a largely positive impact on communities, by reducing the risk of flooding. There can be local negative impacts e.g. noise and disturbance during construction, or visual impacts of new defences, but these are hugely outweighed by the benefits. Impact on Knowledge: We seek to utilise new approaches and new technology where they are proven, appropriate and cost-beneficial.
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Issue

1. Flood Risk Management (FRM) is a significant activity for Natural Resources Wales, and the FRM capital programme is a significant proportion of Natural Resources Wales annual budget. In 2013/14, the FRM capital programme budget is £17.6m, approximately 10% of the overall Natural Resources Wales budget. It is important that the board understand how, where and why the FRM capital programme budget is being invested.

Summary

2. This paper explains some key principles of the FRM capital programme. These will be expanded on in the presentation to Board on 4th September 2013.

Background

3. Natural Resources Wales has three types of role in delivering its flood risk management work, as an Operator, a Regulator and an Advisor. As an Operator we have powers under the Water Resources Act 1991 to manage flood risk from the sea or a main river which it considers desirable. This can include: constructing new and maintaining existing flood defences; operating existing works such as sluices, and; providing a flood warning system.
4. These are permissive powers, meaning we have discretion as to where, when and how we decide to act. We exercise that discretion on a risk basis, prioritising locations of highest flood risk in a Wales-wide context. We apply this approach in accordance with the Welsh Government's National Strategy for flood and coastal erosion risk management.
5. Some of these activities are funded from revenue budgets. Some, including building new defences or refurbishment of existing defences, are funded from the FRM capital programme budget. The presentation will give examples of the work, how it is prioritised and some of the challenges and opportunities ahead.
6. Flood Risk Management Wales Committee has a statutory role in consenting Natural Resources Wales' FRM capital programme, which is done through its Committee meetings. FRMW also has a role to advise Natural Resources Wales on how it proposes to carry out its flood risk management functions.

Next Steps

7. We plan to give an annual briefing to the Board on the FRM capital programme so that Board can comment on how and where the budget is being invested, and also so that challenges and opportunities can be discussed.

Risks

8. There are programme risks and uncertainties including having sufficient sight of future budgets to be able to manage the programme most efficiently, as construction projects typically span several years.
9. There are project level risks, most obviously around the uncertainties that come with significant construction projects. Natural Resources Wales staff have strong experience in managing the risks and a good track record in delivering to budget and schedule.

Financial Implications

10. The FRM programme is a significant proportion of the overall Natural Resources Wales budget and is of high reputational importance to Natural Resources Wales and Welsh Government.
11. There are financial challenges ahead including securing sufficient capital and revenue budgets to be able to manage flood risk to appropriate levels.

Communications

12. We have good communication (and management) channels in place to keep the main stakeholders informed of the FRM capital programme. We will improve the information available to the public through our website, as we develop the website functionality.

Equality impact assessment (EqIA)

13. This is not applicable to the paper.