

**Minutes of a meeting of the Northumbria Regional Flood and Coastal
Committee held at Tyneside House, Skinnerburn Road, Newcastle upon Tyne
on Friday, 21 April 2017 at 11.15 am**

<u>Present:</u>	Mr H Clear-Hill	Acting NRFCC Chair
	Councillor M Brain	Gateshead Council
	Councillor B Carson	Darlington BC
	Mr J Cokill	Independent Member
	Mr J Copeland	Independent Member
	Mr N Hill	Sub - Redcar and Cleveland Council
	Dr J Hogger	Independent Member
	Councillor M James	Hartlepool BC
	Councillor M Mordey	Sunderland City Council
	Mr J Riby	Independent Member
	Mr J Robinson	Sub - Newcastle City Council
	Councillor C Rooney	Middlesbrough Council
	Councillor Mike Smith	Stockton Council
	Councillor Moira Smith	South Tyneside Council
	Councillor I Swithenbank	Northumberland County Council
<u>Officers:</u>	Mr O Harmar	Area Director
	Ms L Huntington	Area Flood and Coastal Risk Manager
	Mr T Drought	PSO Team Leader
	Mr S Wilson	FCRM Programme Manager
	Mr J Heslop	PSO Team Leader
	Mr B Marley	NRFCC Secretary
<u>In Attendance:</u>	Mr D Charlton	Northumbrian Water
	Mr S Rowe	Chairman, North East Coastal Group

There were 18 observers in attendance

Prior to the meeting the Committee Members attended a workshop on governance and programme performance.

16/17 APOLOGIES FOR ABSENCE

The Committee received apologies from Mr S Dickie and Councillors J Harrison and H McLuckie. Also from Board Member Professor Lynne Frostick and Karen Purvis (Natural England).

The Committee confirmed the substitute members as noted in the list.

17/17 PECUNIARY INTERESTS

None declared.

18/17 MINUTES

The Committee approved the minutes of the meeting held on 29 January 2017 subject to changing the references to the "Borderlands Project" in Minute 07/17 to "Upper Weardale Natural Flood Management Demonstrator".

19/17 MATTERS ARISING [NRFCC160]

There were no new matters arising and all ongoing actions were complete.

20/17 AREA FLOOD AND COASTAL RISK MANAGEMENT REPORT [NRFCC/161]

a) Financial Report

Simon Wilson gave a summary of the Flood and Coastal Risk Management (FCRM) capital programme for the fourth quarter of the financial year 2016/17. Subject to final closure of accounts for 2016/17, he anticipated the FCRM GiA final out-turn position to be £13.7m against an affordable budget of £14.9m. This represented a large increase in expenditure over the previous quarter where £6.8m of Grant-in-Aid had been spent or 63% of the final out-turn.

The acting Chair thanked all concerned for this significant achievement.

For the Local Levy, the final out-turn was expected to be £2.1m out of an allocation of £2.9m. Taking into account the carry-over from the previous year, approximately £1.9m would be carried over to 2017/18.

Simon also updated the Committee on Outcome Measure delivery and the Capital Efficiencies Target. There were a number of pending efficiency claims so the final position for 2016/17 would not be available until the July meeting.

The Committee discussed the practicalities of risk management authorities making grant claims 3 months in advance and it was noted that this was only possible in the same financial year and could not straddle two years. The Committee agreed that having the flexibility to cut across two financial years might be worthwhile and something that should be pursued nationally. Ultimately though any change in approach would require the Government's approval via the Grant Memorandum for Local Authority projects.

The Committee also discussed the possibility of having more financial flexibility consistent with a 24 month expenditure window rather than a rigid 12 month window. This would again be subject to Central Government approval.

b) Remainder of Area Update

Leila Huntington highlighted key issues from the report referring to the latest position on the appointment of the new Community Engagement Officers and the success of the Lustrum Beck Scheme at the Environment Agency's Flood and Coastal Excellence Awards after being awarded Partnership Project of the Year.

Resolved

It was resolved to note the Area Update.

21/17 PROGRAMME PERFORMANCE REPORTING

Jim Heslop reflected on the discussions at the Task and Finish Group meeting set up at the January NRFCC. This had resulted in further discussions at the Programming and Investment (P&I) Sub-Group in March and at the workshop session prior to the meeting. The Task and Finish Group looked at a wide range of issues to improve performance. These are reflected in the process changes discussed later in the Minute but, in addition, the Group suggested that a number of actions could be taken by the Risk Management Authorities namely:

- Confirming deliverability of remaining schemes in the 6-year programme through the programme refresh process.
- Looking at project development post 2021.
- Exploring opportunities for closer working on integrated schemes.
- A presumption for most new projects to be delivered over a 2 year minimum period.
- Broadening the capability audit being carried out by the North East Coastal Group.
- Reinforcing Environment Agency Partnership and Strategic Overview support for all Risk Management Authorities.

The Group looked at the difficulties currently experienced resulting from the monitoring of schemes on a quarterly basis, via the P&I Sub-Group and the Committee, using the Red/Amber/Green process. As well as favouring monthly progress monitoring via that process, the Group identified a need for greater agility in the governance surrounding changes to expenditure profiles for NRFCC approved schemes that are on the consented programme and over-programme.

Currently, changes to the expenditure profiles are considered by the Sub-Group and approved by the Committee. This hugely reduces opportunities to adjust budgets and support delivery of consented schemes in the over-programme. The Group recommended that adjustments to budgets are made to reflect changes in forecasts from project teams on a monthly basis. Amendments to expenditure profiles should then be reported to the next meetings of P&I Sub Group and the NRFCC. This would ensure that resources are available for prompt re-allocation to over-programme schemes. Committee Members asked if elected members could be informed of any changes to expenditure, resulting from amendments associated with monthly progress monitoring, as part of the process.

It should be noted that any new Local Levy requests would be unchanged by this proposal and would be subject to the same level of scrutiny by the P&I Sub-Group and the Committee.

Resolved

It was resolved to:

- i) Thank the Task and Finish Group Members for their work.
- ii) Apply the revised monitoring process in full, based on a monthly instead of a quarterly cycle.
- iii) Support the measures to improve performance highlighted in the bullet-point list above (21/17).
- iv) Support the assessment of over-programming allocations to make sure that the relevant Risk Management Authority has sufficient capacity to deliver the additional works in the required timescale.
- v) Approve changes in the way that expenditure forecasts are managed in-year, enabling monthly adjustments to be made to budgets to allow prompt re-allocation to over-programme schemes.
- vi) Report any changes to the scheme profile to the subsequent P&I Sub-Group and NRFCC meetings.
- vii) Inform relevant Elected Members on the NRFCC of any changes as part of the notification process.
- viii) Note that any new Local Levy requests will still be the subject to the same level of scrutiny by the P&I Sub-Group and the Committee.

22/17 PROGRAMMING AND INVESTMENT SUB-GROUP CHAIR'S REPORT
[NRFCC/162]

The acting Chair submitted a report of the Programming and Investment Sub-Group following its meeting on 21 March 2017.

Further to item 4.3.2 and the discussion at the workshop prior to the meeting, the Committee secretary tabled proposed revisions to the Sub-Group's Terms of Reference. After making some adjustment to the wording, the Committee approved the changes (see Appendix to these Minutes).

The Committee considered the recommendations in the paper.

Resolved

It was resolved to:

- i) Approve the changes to the Programming and Investment Sub-Group's Terms of Reference (see Appendix).
- ii) Approve all the recommendations set out in section 4 of the report.

23/17 FCRM GRANT-IN-AID AND LOCAL LEVY OVER-PROGRAMME

[NRFCC/163]

Simon Wilson presented a report on the proposed approach to allocating FCRM Grant-in-Aid and Local Levy over-programming for 2017/18.

For FCRM, the allocations were over-programmed by 30% in 2016/17 and it was proposed that this should be the same for 2017/18, subject to deliverability confidence issues as outlined in paragraph 2.4. For the Local Levy, Members were asked to set the over-programming amount.

Councillor James asked if the Local Levy over-programme could be broken down to partnership areas so that they could be clear on what is potentially available and act accordingly. It was identified that over-programming is not identified proportionally to the strategic flood risk partnership areas, however these areas could be made aware of all schemes operating within their areas.

Resolved

It was resolved to:

- i) Support the approach to over-programming the 2017/18 FCRM programme by 30%, subject to noting issues surrounding confidence in delivery.
- ii) Set the Local Levy over-programming level at 20% of the programme based on the indicative amounts identified in the paper.
- iii) Notify the strategic flood risk partnerships of the FCRM GiA and Local Levy allocations within their areas. .

24/17 REFRESHING THE CAPITAL AND REVENUE PROGRAMMES/FCRM CAPITAL AND REVENUE ALLOCATION PROCESS [NRFCC/164]

The Committee noted a national paper.

25/17 ANNUAL REPORT AND BUSINESS PLAN [NRFCC/165]

The acting Chair submitted a report seeking comments on the Committee's Annual Report 2016/17 and Business Plan 2017/18. The deadline for comments was 26 May 2017 enabling the two documents to be published sometime in June 2017.

Referring to the Business Plan, Councillor Rooney suggested that the Committee should explore opportunities for closer working with MPs, Regional Bodies and elected Mayors. This should include opportunities for promoting the work of the NRFCC through training and information on the role of the Committee. He also suggested highlighting the social impacts of flooding and mentioned the need for more active engagement on any potential changes to environmental legislation as part of the process of the UK leaving the European Union.

Resolved

It was resolved to note the drafts and the deadline date for comments.

26/17 FLOOD AND COAST 2017

John Riby, who had attended the conference along with Hugh Clear-Hill and Councillor Ged Bell, presented a note on key outcomes and learning points.

He highlighted the issues surrounding Natural Flood Management (NFM) and the growing number of examples of flood risk management solutions. While not always a viable flood risk management option, the Government was keen for Risk Management Authorities to explore NFM solutions wherever possible.

There had been significant discussion and feeling about the need to adjust the language relating to flood and coastal return periods to a terminology that was easier to understand. Most delegates favoured a % chance of an event occurring in a year.

The acting Chair echoed John's comments about the success of the Conference and thanked him for his report.

27/17 ACTING CHAIR OF COMMITTEE

Oliver Harmar thanked Hugh Clear-Hill for taking on the role of acting Chair for the last six months, the statutory limit for an acting Chair term. Because of the timing of the recruitment exercise, the new Chair could not start until 1 July at the earliest. This would mean there could be a 2 month gap between the end of Hugh's term of office on 30 April and the starting date. Hugh had offered to continue in an acting capacity without remuneration, but this would require the support of the Committee.

The Committee agreed unanimously that Hugh Clear-Hill should continue to serve in an unofficial capacity as acting NRFCC Chair until a new appointment is made.

28/17 ANY OTHER BUSINESS

a) National Farmers' Union Flooding Manifesto

James Copeland tabled copies of the NFU Flooding Manifesto for Members' information.

b) Newcastle Declaration on Blue and Green Infrastructure

John Robinson, Newcastle City Council, tabled a note on the launch of the Blue and Green Infrastructure initiative for managing flood risk.

29/17 FUTURE MEETINGS

The July meeting would be held on Friday, 21 July 2017 at 10.00 am at Morpeth Town Hall followed by the official opening and naming ceremony for the Cotting Burn Scheme.

The acting Chair asked for suggestions to the Secretary on possible venues in the south of the Area for the NRFCC meeting on 27 October 2017.

Appendix

NORTHUMBRIA REGIONAL FLOOD AND COASTAL COMMITTEE Programming and Investment Sub-Group

TERMS OF REFERENCE

1. PURPOSE

- 1.1 The Sub-Group provides a forum for members and officers to discuss in detail issues relating to the management of the Committee's investment in, and obtaining of funding for, FCRM activities in its area.
- 1.2 The Sub-Group's aim is to provide assurance to the Committee on relevant matters and make recommendations to the Committee for approval in fulfilment of its and the Agency's statutory requirements.
- 1.3 The Flood and Water Management Act 2010 (section 23) requires the EA to:
 - consult with each RFCC about the way it proposes to carry out its flood and coastal erosion risk management functions in the Committee's region (s23(1)(a)).
 - take into account representations made by the Committee about the exercise of its flood and coastal erosion risk management functions in the Committee's region (s23(1)(b)).
 - obtain the RFCC's consent before the EA can implement its regional programme for the Committee's region (s23(2)).
 - obtain the consent of the RFCC before the Agency can issue a levy under Section 17 of the Act (s23(3)).
 - obtain the consent of the Committee to the spending of revenue under Section 118 of the Water Resources Act in the region where the revenue is raised (s23(4)).

2. SCOPE

- 2.1 The Sub-Group will consider all investment and funding matters relevant to the delivery of FCRM programme's outcomes which have been endorsed by the Committee and which are funded by Flood and Coastal Risk Management Grant-in-Aid or Local Levy. This will necessitate an understanding of issues at the programme level as well as specific schemes which are Committee priorities or material to the overall performance. The Sub-Group will report to the RFCC on all aspects of its work.

3. SUB-GROUP ROLE

- 3.1 In fulfilment of its purpose above, the Sub-Group will perform four key roles:

(1) Oversight of In-Year Investment Programmes

- 3.2 The Programming Team will prepare financial monitoring reports for the Sub-Group's review on a quarterly basis. These will describe the performance of the overall programme and key projects to enable members to understand whether this is in line with plans and forecasts and whether relevant outcomes are being delivered to time, cost and quality. Reporting will encompass the performance of all risk management authorities (RMAs, i.e. the EA and LAs,) spending Flood and

Coastal Risk Management Grant-in-Aid (FCRMGiA) monies or Local Levy funding. This basis will enable the Sub-Group to comment on potential mitigation measures.

(2) Scrutiny of Draft Programmes and Allocations

- 3.3 The sub-regional FCRM partnerships (or individual RMAs) forward investment plan proposals to the Programming Team in line with the national allocation timetable. The Programming Team will collate these on behalf of the Committee and submit a draft forward programme to the Sub-Group for review, together with a detailed narrative explaining its implications in terms of funding, properties protected and prioritisation.
- 3.4 The Sub-Group will seek to ensure that the programme being constructed is robust and balanced in terms of meeting the short, medium and long-term priorities of the area relative to the availability of funding. The aim will be for the Sub-Group to recommend a draft programme to the Committee for its endorsement and submission to the National Allocation and Programme Management Team.
- 3.5 The Sub-Group review indicative FCRMGiA allocations received from the National Allocation and Programme Management Team for all RMAs and ensure that these reflect the RFCC's priorities. The Sub-Group will make recommendations for their endorsement or otherwise.

(3) Application of Local Levy

- 3.6 The Sub-Group will receive proposals from the Area on how the local levy resource can be deployed to promote a levy programme which is sustainable, meets the Committee's objectives for the levy, and also supports schemes which are not fully-funded by FCRMGiA under partnership funding.

(4) Recommending Local Levy Rates

- 3.7 The Sub-Group will discuss proposals on the size and shape of the local levy required to support FCRMGiA investments and other local levy objectives in order to propose a rate for approval by the full Committee.

4. FREQUENCY OF MEETINGS

- 4.1 Meetings will take place as a minimum on a quarterly basis in advance of the main Committee meeting. Additional meetings may be scheduled at the request of the Chair.
- 4.2 The meetings should be scheduled with sufficient time to enable the Sub-Group to provide adequate scrutiny of performance or proposals for new investment and to draft reports providing assurance or recommendations to the Committee.

5. MEMBERSHIP

- 5.1 The membership should be determined by the Committee. As a minimum, the composition should include the following representation:
 - The Chair of the RFCC (Chair of Sub-Group);
 - An LLFA committee member representing each of the four sub-regional FCRM partnerships and an extra member each for the Tyne and Wear and Tees Valley partnerships.
 - Two EA-appointed members as agreed.
 - A representative of Northumbrian Water Group

- 5.2 Substitutes may be nominated by the partnership groups to attend meetings to attend in place of the nominated representative.
- 5.3 Substitutes should be an elected Member. When an officer represents an elected Member, the Member may give the officer delegated authority to act on their behalf.
- 5.4 No meeting of the sub-group shall take place unless at least two of the Strategic Partnerships are represented at the meeting by elected Members.
- 5.5 Notification of substitute member attendance should ideally be submitted to the NRFCC Secretary not later than 24 hours before a meeting of the sub-group.
- 5.6 Appropriate Area officers will also be in attendance.