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1 March 2021

The Rt. Hon George Eustice Secretary of State for Environment, Food and Rural Affairs Seacole Building 2 Marsham Street London SW1P 4DF

Dear Secretary of State

## Flood Risk Management Funding

I am writing on behalf of the Oxfordshire Growth Board of which I am Chair. The Growth Board is a joint committee of the six Oxfordshire councils together with key strategic partners including Oxford's universities, the Oxfordshire Local Enterprise Partnership, Oxfordshire Skills Board, Homes England, the Environment Agency and the Oxfordshire Clinical Commissioning Group.

The Board writes in support of key conclusions made in the recent Environment, Food and Rural Affairs Select Committee report on flooding regarding the need for greater long-term investment in flood defence maintenance and local capacity to deliver lasting resilience for our communities.<sup>1</sup> There also remains a critical need for a national standard for flood resilience to ensure that investment decisions are inclusive of wider strategic public benefits.

Flooding represents one of the greatest climate challenges for the UK, and whilst we are determined and committed to reversing the impacts of climate change through our emerging Strategic Vision, record levels of rainfall will continue to disrupt and devastate our communities, families and businesses as a result of this crisis<sup>2</sup>. Unfortunately, with the recent floods across Oxfordshire earlier this year, we have of course already been reminded of our vulnerability in this area.

Notwithstanding the substantial adverse human and environmental impacts of flooding, the National Audit Office highlights that maintenance and repair costs of flood defences could increase by between 20% and 70% a year up to 2050, as a direct result of climate change. Therefore, we strongly agree with the Select Committee that HM Government must establish a long-term resource budget settlement, aligned with increased capital investment, so that the Environment Agency and our local councils can effectively plan for and maintain local flood defences.

As recommended by the National Infrastructure Commission and Committee on Climate Change, we are also calling for a national standard for flood resilience. This could bring

<sup>&</sup>lt;sup>1</sup> EFRA Select Committee Report, 8 February 2021. Fourth Report of Session 2019–21.

<sup>&</sup>lt;sup>2</sup> Met Office, 2020. UK extreme events – Heavy rainfall and floods.

the existing cost-benefit investment framework into the 21<sup>st</sup> Century by providing a more holistic and balanced assessment of wider climate and public health benefits (e.g. natural capital) to be realised through flood risk management. The current approach of linking investment principally to the number of properties protected, rather than consideration of economic potential protected and unlocked, will not deliver the outcomes we need locally, and a smarter approach must be taken to ensure credible big picture schemes are financially backed. We also need to move away from an assessment framework that prioritises the approval of schemes in areas with the highest property values, and to move towards a broader set of measures to guide what represents a desirable investment in flood resilience measures.

Nationally, recent research suggests that only 12% of local authorities strongly agree they have the right resources to plan for and manage flood risk in the future.<sup>3</sup> In addition, the partnership funding approach does not work well for large schemes where benefits are widely distributed. Accordingly, the NAO's forecasted increase in the national flood management bill must be met with a corresponding increase in local resources and capacity to deliver. We note the commitment last year to review local government funding for flood risk management,<sup>4</sup> which is not currently ringfenced, and we encourage DEFRA to bring forward a date for this review as soon as possible. Our aspiration is that this will lead to greater HM Government revenue support for local capacity to deliver schemes.

A related point is the need for action to ensure that water services utility companies, in our case Thames Water, can be held to greater account at a local level. Under-pinning many issues are a lack of investment in essential infrastructure, which is an issue which needs to be addressed by the regulator in setting the caps on the Asset Management Plan. However, we also experience their regular failure to clear up sewage. While this is unfortunately a year-round issue in Oxfordshire, it is of particularly concern during periods of flooding. Encouraging Thames Water to form closer partnerships with local authorities to address flood mitigation issues on their network is also a key part in achieving further improvements to the local response during flood events,

In conclusion, the Board writes in strong support of the EFRA Select Committee's recommendations which focus on greater long-term revenue investment in local capacity to deliver and maintain schemes, which in future would be better identified through a revised investment framework that gives greater weight to wider public benefits. The clear link between climate change and rising rainfall means that we must act now, and we hope you agree that now is the time for longer term planning and investment to secure a prosperous future for our communities.

Yours Sincerely,

Councillor Emily Smith, Chair of the Oxfordshire Growth Board

<sup>&</sup>lt;sup>3</sup> EFRA Flooding Review, 2020. Supplementary written evidence submitted by Town and Country Planning Association.

<sup>&</sup>lt;sup>4</sup> HM Government, 'Flood and Coastal Erosion Risk Management Policy Statement' (July 2020), p 18