



**FCRM Strategy 2050 Protection & Funding Working Group**  
**Summary notes**  
**Meeting – 9 July 2018**  
**The Studio, Birmingham**  
**10:30 – 15:30**

**Ideas for change**

The following table lists all the ideas at the meeting and those that others had identified through the engagement process before the meeting. Those in bold and italicised were selected by break out groups for more development and in depth discussions. The categories used to group the ideas were identified by the note taker for ease of presentation – these were not discussed at the meeting.

<b>Funding opportunities</b>
<b>Ideas identified before the meeting</b>
Funding levy hypothecated from business rates (wealth generation spread nationally).
More flexibility and agility to fund and protect at national and local scales. This should consider the multiple benefits at local, regional and national scales! ‘Water as a catalyst’.
<b>Ideas identified at the meeting</b>
<b><i>Refocusing flood and coastal risk management investment on land use to create/enable sustainable communities in the face of climate change.</i></b>
<b><i>Innovative finance – replacement for CAP, shared prosperity funds/lottery funding/sponsorship.</i></b>
Sponsorship of flood infrastructure.
Taxation – beneficiary, society.
Levy on household insurance (French model).
Sharing/flex on public funds to meet each other’s’ targets.
Make FCRM investment targeted on long term better place-making rather than delivering short term FCRM targets (e.g. OM2/3 by 2021). This includes more catchment based solutions and working with others to define what long term sustainability ‘looks like’ in a community.
Funding to support farmers, landowners and other private individuals. Land managers to take greater ownership and have a greater control of such schemes and how they’re funded.
Funding for adaptive solutions – coastal areas and flood plains. Rollback of communities and reinstate river channels.
Adaptive solutions to FCRM challenges – climate change means status quo is untenable. In some place, we can upgrade defences and protect in situ. In other locations we need to be able to rollback communities from cliff tops or reopen built in river corridors. Are we constrained by a lack of imagination on the right option or is it the absence of a suitable funding stream?

Hidden costs and co-benefits: investment & policy decisions which genuinely, but proportionately account for both hidden costs and co-benefits – in context of whoever pays decides how it is spent.
Collect funding from asset owners post scheme i.e. house property uplift value after scheme collect % set locally. Reinvest this income in schemes. Rather than contributions up front.
Give responsibility to local bodies to raise additional funding for the flood risk e.g. precept powers like Somerset Rivers Authority (Rivers Authority and Land Drainage Bill going through parliament could enable this).
% of money from sales of properties to be retained locally to fund local FCERM projects.
Develop approach for local value capture to support national funding. If expanding enabling development for coastal risk management where CIC formed to hold land where LPA grants permission.
Insurance incentivisation to increase resilience.
If we continue to have a long-term settlement from the government, could we use it differently to attract private investment, such as a green bond e.g. Thames Tideway.
Legal agreements between organisations to speed up joint funded projects so that it is not starting from scratch for each scheme.
Legal standards for flood protection of central infrastructure would help utilities to secure funding. Maybe different standards for different services e.g. growing dependence on power and need transport to respond quickly.
Risk from all sources is transparent and understood at property level and reflected in property values. Enables: Better risk assessment, clear info in home owner packs including resilience, unwinding of insurance subsidies.
Beneficiaries pay – requires everything above to happen, instead of general taxpayer, to create an incentive (for the first time) to live in lower risk areas.
Incentivising land management to provide NFM. Opportunity to review farming payments post Brexit. Grants linked to runoff reduction and habitat improvement.
<b>Amending current funding criteria/process</b>
<b>Ideas identified before the meeting</b>
Reset criteria for FCRM funding – needs to match our agreed desires for future flood and coast protection.
<b>Ideas identified at the meeting</b>
<b><i>Simplify and clarify investment decisions including appraisal guidance.</i></b>
<b><i>Localised control over FCRM funding – local devolutions and accountability.</i></b>
<b><i>Broader outcomes for scheme justification (link to community visioning – how? – bring together).</i></b>
Promote clarity over precision: reduce complexity in PF calculations and appraisal, reduce costs and make quicker, enable more transparent decisions.
FCRM - Appraisal Guidance rules define optimal standard. However, to support continuing status quo rather than change. Needs to be amended to support change.
Allocate funding on a 'needs not value' basis. Current economic benefit driven approach leads to south east affluent skew.
Scrap partnership funding cottage industry. Consider blanket national/local proportion as used for Welsh Government's coastal risk management programme.
Recognise local economic impacts in justification.
If central government funding delivered a broader set of outcomes (not just houses) would that increase potential beneficiaries and other investment?
Central control of funding not supported – would mean the north that gets the worst of the flooding would get less support.

Review of partnership funding to recognise locally important factors – e.g. for West County, tourism, transient community figures but real risk to life that's not able to be claimed as benefit properly under the current system. Less focus on arbitrary own target more on better FCRM investment activity.
Make Network Rail a Risk Management Authority! Get them to commit PF more readily and engage more.
Make it easier to get public sector contribution, ultimately all the same pot of money.
PF funding not working in current form – major rethinks. Levy greater private investment. Borrow models of finance from others internationally.
Broader outcomes for schemes/multiple benefits – current models based on national economic impact and policy focus (Outcome Measures) on homes protected and environmental improvement.
Propose focus more on equity (avoid SE skew), consider regional economic opportunity and impact.
What about resilience, well-being, community place-making? Broader public good (expanding beyond FDGIA and Defra policy)?
Qualitative/tools to avoid cottage industry?
Partnership funding – current model doesn't necessarily allow catchment based planning e.g. rural vs urban.
Politically – what do ministers want to support?
Limited amount of funding - where would you choose to fund?
'Government growth packages' – sometimes at odds with Partnership funding.
Brexit – alternatives for EU funding.
<b>Pooling and alignment of funding sources and cycles</b>
<b>Ideas identified before the meeting</b>
Government money is spent to manage risk where it is needed and justified. Funding should move away from separate organisations, money should no longer have an internal economy between EA and LAs – money should be spent by Government where best used, not by who is the Risk Management Authority.
<b>Ideas identified at the meeting</b>
<b><i>All the different organisations that fund FCRM are aligned in terms of outcomes and funding.</i></b>
Incentivising funding e.g. kudos for social responsibility.
Redefine FCRM as an 'enabler' for infrastructure and regeneration success – delivery of a long-term vision for a sustainable society.
Integration – cross-sectoral (e.g. water resources, flooding, highways, planning), cross-boundary, RMAs. Collaborative working to achieve a single vision (but often conflicting drivers).
Decisions based on risk, need, local choice, not affordability or funding policy. Complete change to funding approach (start with best solution for place). Need for integration at all levels particularly FCRM and planning.
Create a much stronger link between our funding programme(s) and the strategic plans (FRMP) that dictate our priorities for that timeframe e.g. water company, PR/AMP cycle.
Alignment on funding cycles at a local catchment level – including key organisations such as EA, IDB, local etc, local knowledge on funding available greatly improved.
50 years-openly available declaration at a local, catchment level of all different pots of funding available. E.g. local levy, FCRM Flood Defence GIA, IDB Funding, infrastructure (e.g. water company, charities, individuals and private investment).
5-10 year greater alignment and flexibility in funding cycles. Greater trust and closer working at a catchment level of those who can provide funding.

Aligning time horizons, water companies have planning period then a 'doing' period Alignment of local & national gas priorities. Funding infrastructure which helps deliver growth.
Allow pooling of S106 or tweak CIL to give long term certainty over funding.
Better integrate our strategic planning process (FRMPs) with our investment timeframes (6yr programme) to make funding partnerships easier and collectively planned across RMAs and others.
RMA's working from consistent multiple benefits evidence base – Gaps in understanding/levels of confidence. - Ownership of evidence base - Better utilised to inform place decision makers early in cycle
<b>Communicating outcomes better</b>
<b>Ideas identified at the meeting</b>
<i>Facilitate partnership funding and environmental outcomes through appropriate language.</i>
<i>Maximising media and public communications after floods and sustaining this when dry.</i>
Find out what language appeals to different partnership groups.
Understand issues that arise when the 'wrong' language is used – what opportunities are lost.
Empower people to manage their own risks – use the right language, provide the guidance, encourage 'adulting'. Change through education?
Performance communicated in 'common language'.
Stop the knee-jerk reactions of politicians e.g. David Cameron.
<b>Widening responsibility for FCRM</b>
<b>Ideas identified at the meeting</b>
We need to be clear on flooding that cannot be stopped, the public blame organisations. Resilience of individual householders.
<b>Protection priorities</b>
<b>Ideas identified before the meeting</b>
Protect critical national infrastructure and at key cities that have an impact on GDP e.g. Oxford, Cambridge, London.
Protect the most important* places and enable adaptation in those places that aren't protected. We need to adapt more than we protect in certain places. *Most important = highest value places and those places with the highest societal value – historic/environment.
Better investment in infrastructure to reduce flood risk – all types of infrastructure (roads, housing, schools etc.), infrastructure should have no impact on risk and infrastructure outside of flood risk should help lower flood risk, infrastructure should help to manage flooding e.g. roads as rivers, ground floors left to flood etc. Invest to save and then less will need to be spent on response etc.
All homes are built with appropriate levels of protection.
<b>Ideas identified at the meeting</b>
<i>Minimum flood resilience (outcomes) standard – question over common understanding. At all levels – scheme standards, resilience schemes etc.</i>
Infrastructure & flood risk - not worsen.
Politicians and other stakeholders willing and informed to make the hard decisions - Locations not sustainable - Prioritised investment - Managed realignment
What is the service for all communities? - Have more clarity for those communities who won't get a capital scheme
Change EA flood powers from permissive to compulsory.

Need to change FCRM from 'avoiding a negative to enabling a positive' regeneration, improved environment, amenity, infrastructure etc.
Do we (UK) have a preferred balance/target for protection? I don't think so (LTIS may define?) What is the balance? Infrastructure, agricultural land, urban, rural.
Agree a national indicative standard with emphasis on promoters to test affordability and economic justification.
Defined level of service across resistance measures e.g. Flood scheme maintenance, temporary barriers and resistance measures e.g. incident management, how long it takes to recover.
One strategic plan - only an FRMP - bin SMPs and CFMPs formally or replace all for clarity of priorities of what we should be funding/priority.
Adoption of resilience standards for all development and major infrastructure. Alignment of major infrastructure projects to meet objectives-only possible when programmes aligned e.g. AMP cycles, water company.
Clear standards and levels of service for infrastructure, resistance and resilience measures to help get funding, provide clarity to the public and equity.
Minimum standards tiered: information -> performance.
Receptor focus – flat vs steep valley areas.
<b>Achieving multiple benefits and addressing multiple sources of risk</b>
<b>Ideas identified at the meeting</b>
Use FCERM to match heritage lottery etc. for greater biodiversity.
Enable better use of land management with greater incentivisation and ownership for landowners (to reduce risk from multiple sources).
<b>Promote and implement catchment based management</b>
<b>Ideas identified at the meeting</b>
<b><i>Enhanced catchment management – rationalisation of strategies and plans at catchment level, closer tie up between quantity and quality planning, catchment system operator role and replacement for CAP</i></b>
Devolution of funding and accountability to better reflect local needs. Align to taxation as required. More diverse outcomes recognised.
Charge people and business that benefit from defences for the costs of building and maintain their defences.
Place (catchment and community) based vision of what it is we are actively trying to achieve. Also including residual risk management.
<b>Promotion of Natural Flood Management (NFM)</b>
<b>Ideas identified before the meeting</b>
NFM is the norm, especially coastal. Where once stood communities in flooding trouble, now stand communities surrounded by sustainable urban drainage, where the land does the work for them to prevent flooding.
<b>Ideas identified at the meeting</b>
<b><i>Building natural capital into the business case – formalise natural capital and make it embedded, should be like EIA, but ambitious and needs a better developed evidence base</i></b>
<b><i>Maximise delivery of NFM – we know NFM works but struggle to find opportunities, need to stop trying to quantify and implement individual measures and move to wider land management</i></b>
Make NFM Business as Usual – need to change mindset from we currently have a problem to, there's an opportunity just do it.

<b>Role of planning</b>
<b>Ideas identified at the meeting</b>
Mitigation key in planning - SUDS need to be better and more. Mitigation in developments/policies.
Soft engineering not hard engineering critical, government could help by implementing Schedule 3 of FWMA to encourage proliferation of SUDs but “Need for housing” greatly trumps “flooding” in government priority.
Look at Riparian rights to aid SUDs by connecting drainage to water course rather than sewer, constructed to greenfield runoff rates.
Building regulations change to require resilience in at risk areas – to require climate resilience in new developments.
<b>Property level resilience</b>
<b>Ideas identified at the meeting</b>
<i><b>(Insurance) incentives for resilience – resilience measures should be reflected in insurance premiums</b></i>
<i><b>How do you make future development more resilient? Needs a stronger policy framework on flood risk, Flood Re says people should pay within 25 years – need an incentive to install measures now, change mindset so you pay for risk. Needs to cover SuDS and property flood resilience and potentially be covered through Building Regs and home owner packs.</b></i>
Reform insurance so that premiums more transparently reflect risk – property values also reflect risk. Charge compensation for losses so that reinstatement of what was there before stops and resilience enhancing measures are implemented instead – work with insurance companies, Flood Re. Premium related to structure, loss and resilience enhancing components.
Resilient repair is the norm – 10,000 properties per year flooded in last 12 years, if all had resilient repair that would now equal 120,00 properties. Immediate actions: skills and materials. Long term opportunity for hundreds of thousands of homes to be resilient.
Better SuDS policy – for CIL levy to address flooding and more ‘resilient’ new build (Building Regs).
Build better/more sustainably after flood events.
No long-term unsustainable development – places where new development would require huge costs to protect in the future. LA gets rewards for contributing to housing targets: need to vary these to nudge new development away from unsustainable places.
Building regs for resilience – we want all new buildings to be climate resilient. Ways this could happen: building regs (may not pass political test), home owner info in collaboration with insurance industry (similar to EPC), getting the incentives right so that climate resilience increases the value of homes.
<b>Responding to climate change</b>
<b>Ideas identified before the meeting</b>
We have a clear aligned approach to climate change. A long-term vision that the Environment Agency can lead.
<b>Ideas identified at the meeting</b>
Build better after flooding.
<b>Relocation where required</b>
<b>Ideas identified before the meeting</b>
We now have tangible adaptation policies and funding in place to facilitate relocation/rollback of unsustainable community locations at flood or coastal erosion risk. This allows people to relocate away from areas at risk and continue to thrive as communities. We have flexible Coastal Change Management Areas that promote appropriate use.
<b>Ideas identified at the meeting</b>

<b><i>Be transparent about areas that will be easier/harder to protect.</i></b>
If a community/place does not benefit from resistance measures/protection should public money be used to help them, potentially ultimately move?
Better ways of relocating people from the floodplain if that's a viable option e.g. Queensland.
Have a plan for what is 'below the line' – clarity about adaptation plan for unsustainable communities who won't get funding.
<b>Benefits of evidence and technology</b>
<b>Ideas identified before the meeting</b>
Using technology to nudge people to do the right thing – give them information in the way they want it e.g. technology telling you risk of flooding at favourite locations e.g. Alexa, accessing/sharing data, windscreen rain gauges, sat navs find safest way alerting you to flooding, technology at fords – flashing lights/automatic sensors to cut car engines out.
<b>Ideas identified at the meeting</b>
<b><i>Data-driven decisions – data needs to stay 'alive', be translated to local level, focus on place/catchment/ coastal cell, data and evidence rather than process should drive decisions.</i></b>
<b><i>We are more innovative across all parts of FCERM – set the ambition around innovation, be careful about relying too heavily on technology and digital solutions, improve sharing of data etc.</i></b>
Recognition in the FCERM community that funding is towards building effective fit for purpose evidence base e.g. modelling and gauging. Without this subsequent investment and analysis may be fundamentally flawed. It's very disjointed at present.
Support cross-partner collection of base data to inform our programmes, investment, and plans more effectively. Recognise FCERM investment isn't just about schemes and OM2! Modelling, Hydrology, telemetry etc.

#### **Key issues highlighted through the discussion and on flip charts**

- Strategy is to 2050 – need to allow for flexibility as things may/will change with time
- Relationship between the strategy and the policy statement, timing issue that we need to manage – this is being addressed through regular liaison with Defra
- Need to acknowledge some of the fundamental choices
- August WebEx needs to focus on fundamental question – what are we going to protect?

## Guiding principles

The suggested guiding principles for the delivery of the strategy were presented to the group

- We put **people** at the heart of what we do
- We create **great places** for people and for wildlife
- We **continually improve** our understanding of risk and solutions
- We **trust** one another to deliver
- We manage **all sources** of flooding and coastal change
- We value **flexible** solutions that adapt to changing risk
- We are **carbon-neutral** and climate resilient
- We actively grow and support the range of **skills** we need
- We seek innovative **finance solutions** to fund resilience

Working together to manage flooding and coastal change

Comments received on these were as follows:

- Is carbon neutral possible? Is this too absolute?
- Innovative finance is not a principle, finance is required but more innovative approaches/sources may be required to obtain it. Alternative view – innovative finance is required as can't justify protecting everywhere from the public purse.
- Need to include partnership working, evidence-based working and reflect the need that this is a strategy to 2050 so thinking about the long term/adaptive approach needs to be included
- Good to see 'flexibility' highlighted – useful in a strategy of this type
- Sustainable development/solutions missing – how useful is it as a principle? This aligns with Planning Policy Framework. Related to this, is there an Act in England re: Wellbeing (similar to Wales)?
- Are we going to test these with a wider audience?
- Building on success is missing
- Need to include reference to being a world leader
- Reference to grow is strange but we do need to acknowledge skills.

## Enablers

Minimal discussion

### Summary of evidence gaps/requirements

Individual evidence gaps highlighted in relation to each idea on the appended proformas

Other evidence gaps identified:

- Work on insurance
- Input of development planners from Local Planning Authorities – need to consult with them to get their input on building sustainable places
- NFM and SuDS research in Cumbria
- Impact of not investing
- Placemaking and the role of FCERM in improving places – talk to planners and developers

### Agreed actions:

<b>ACTION</b>	<b>OWNER</b>
Draft and circulate detailed meeting note within 2 weeks of the meeting	JBA/EA
Continue to refine ideas for change and submit any additional thoughts by end July	Attendees
Talk to networks about ideas for change and send back by email by end July	Attendees
Provide information on evidence gaps to JBA/EA	Attendees
Next meeting (WebEx) to consider new ideas and refine existing – 8 August	All

### Implications for other working groups

Overlapping ideas:

- Pooling and alignment of funding, multiple benefits, catchment based approach, benefits of evidence and technology – all groups
- Improved communications and language – water at heart of decision making, role of communities and businesses
- Role of planning – water at the heart of decision making and roles and responsibilities
- Property level resilience – role of communities and businesses

### Items to raise with Ambition Group

A number of ideas are suggesting quite fundamental changes to the appraisal, funding and prioritisation of FCERM schemes.

### Suggested Action points (i.e. those that may feed into the Strategy)

Nothing specific outside of the suggested ideas

### Questions asked (to feed into FAQs)

- Who is the ultimate decision maker? The Minister
- Is there a possibility the timeline could slip because of Brexit? It is always possible that external events can affect timescales, but Brexit process is quite separate from the strategy
- Are we being too rigid about 2050s? Need to be flexible and adaptive
- What is the relationship between the Strategy and the Defra policy statement? The policy statement will provide the context for the strategy

### Legislative/policy points raised to share with Defra

The number of ideas that would require a change in Partnership Funding policy to be realised

**DATE OF NEXT MEETING: Wednesday 8 August - WebEx**