



Public Accounts Committee
**Coastal flood and erosion risk
management in Wales**

June 2017



National Assembly for Wales
Public Accounts Committee

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The Committee was established on 22 June 2016 to carry out the functions set out in Standing Orders 18.2 and 18.3 and consider any other matter that relates to the economy, efficiency and effectiveness with which resources are employed in the discharge of public functions in Wales.

Current Committee membership:



Nick Ramsay AM (Chair)
Welsh Conservative
Monmouth



Neil McEvoy AM
Plaid Cymru
South Wales Central



Mohammad Asghar AM
Welsh Conservative
South Wales East



Rhianon Passmore AM
Welsh Labour
Islwyn



Neil Hamilton AM
UKIP Wales
Mid and West Wales



Lee Waters AM
Welsh Labour
Llanelli



Mike Hedges AM
Welsh Labour
Swansea East



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Chair's foreword

The recurrent theme throughout the evidence given to this inquiry was a distinct lack of leadership in a number of key areas from the Welsh Government. While there are many excellent people delivering on the ground, and a very resilient spirit amongst those faced with the worst of these problems, this does not excuse the lack of direction and leadership provided to date. To ensure that the necessary decisions around managed realignment and risk management are taken, it is essential that leadership is provided.

The Well-being of Future Generations (Wales) Act 2015 will challenge the Welsh Government in the future on how it handles coastal flood and erosion risk management. This legislation sets out to ensure that the 5 ways of working of the sustainable development principle - long term, prevention, integration, collaboration, involvement - are embraced, much of which is key to flood risk management. We heard evidence throughout this inquiry about how there is a need for the Welsh Government to take a longer term view in terms of funding, particularly for revenue and in terms of difficult decisions such as managed retreat.

The Welsh Government intends to review its 2011 National Strategy for Flood and Coastal Erosion Risk Management in Wales in 2017-18, and we hope that the recommendations made in this report, alongside those of the Auditor General, will guide that review and be an impetus for the needed change.

The Committee agreed to publish this report after the Local Government elections on 4 May 2017. As many of the issues are pertinent to Local Authorities, we wanted to allow incoming Authorities full opportunity to consider our recommendations. Following the announcement on 18 April 2017 of the UK General Election to be held on 8 June 2017, the Committee agreed to further defer publication until after this election.

The Committee would like to thank all those that gave evidence and contributed to this inquiry.

Nick Ramsay
Committee Chair

Recommendations

Recommendation 1. The Committee recommends that the Welsh Government clearly set out in the national strategy the roles and responsibilities for all those involved in coastal flood and erosion risk management to ensure that it is clear who is responsible for delivering each aspect of the strategy. Page 11

Recommendation 2. The Committee recommends that the Welsh Government work with the UK Government to bring forward an amendment to the 2010 Flood and Water Management Act to place an oversight role on the monitoring of the national strategy with the flood and coastal erosion committee or another body rather than just with Natural Resources Wales. Page 12

Recommendation 3. The Committee recommends that the Welsh Government has mechanisms in place to provide assurances that accountability for all areas of the Coast, and implementation of the Shoreline Management Plans is clear, and this information is communicated to all those with responsibility for the coastline.Page 14

Recommendation 4. The Committee recommends that the Welsh Government works with delivery partners to develop a single point of information for flood awareness, such as a 'microsite' or website, which includes clear details of roles and responsibilities for flood awareness Page 14

Recommendation 5. The Committee recommends that the Welsh Government works with Local Authorities to consider the options for the management of coastal flood and erosion on a regional basis and reports back by January 2018.Page 16

Recommendation 6. The Committee recommends that within the next 12 to 24 months the Welsh Government must produce a policy position which sets out a range of options for managed realignment..... Page 20

Recommendation 7. The Committee recommends that the Welsh Government develops and ensures implementation of a National Flood Risk Index which means that all flooding and erosion risks are considered together as a prioritised list. Page 23

Recommendation 8. The Committee recommends that the Welsh Government considers, as part of the strategy review, the balance of capital/revenue investment for coastal flooding and risk management in future, and sets out revenue commitments over a longer period to allow for more strategic planning. Page 26

Recommendation 9. The Committee recommends that the Welsh Government outline a medium/long term plan (post 2021) for funding projects which would be covered under the coastal risk management programme until 2021..... Page 27

Recommendation 10. The Committee recommends that the Welsh Government undertake an audit on a two yearly basis to ensure that the necessary staff levels and skills are available within the Welsh Government, NRW, and Local Authorities to achieve the aims in the National Strategy. Page 29

01. Introduction

1. The Auditor General for Wales (the Auditor General) published a report on 21 July 2016 examining Coastal Flood and Erosion Risk Management in Wales.¹ The report considers the progress made by the Welsh Government and its partners on flood and coastal erosion risk management. The report found that recent investment has improved and enabled improvements in coastal protection and delivered some wider benefits. However, it also found that the pace of change in improving the management of the risks of coastal flooding and erosion has been slower than planned and concludes that further improvements are needed to address capacity issues, plan for the longer term and prioritise spending to the areas of greatest need
2. The Auditor General's report follows a 2009 Wales Audit Office report on 'Coastal Erosion and Tidal Flooding Risks in Wales'² and a 2012 report by the Environment and Sustainability Committee³ published during the fourth Assembly.
3. The Welsh Government published its National Strategy for Flood and Coastal Erosion Risk Management in Wales in November 2011. The strategy is due for review in 2017-18.
4. The 2013-14 winter storms, and the damage caused by those events, highlighted the vulnerability to flooding and erosion of some coastal communities, businesses and infrastructure, prompting the Wales Coastal Flooding Review. The Review examined the impacts of the winter floods during December 2013 and January 2014 across Wales in two phases, and was undertaken by Natural Resources Wales. Further information on the phases and recommendations from this review are detailed in appendix 2 of the Auditor General's report⁴ and an update on progress against the actions in the Coastal Flooding Review was provided to the Committee in October 2016.⁵
5. The Committee considered the Welsh Government's response⁶ to the Auditor General's recommendations in September 2016, and initially wrote to the Welsh Government seeking clarification on a number of points of concern. On receipt of the Welsh Government response, the Committee agreed to undertake a brief inquiry to explore these matters in greater detail.

¹ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, July 2016

² Wales Audit Office, [Coastal Erosion and Tidal Flooding Risks in Wales](#), October 2009

³ National Assembly for Wales, Environment and Sustainability Committee, [Inquiry into Coastal Protection in Wales](#), October 2012

⁴ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, appendix 2, page 55, July 2016

⁵ ⁵ Written evidence: PAC(5)-12-16 Paper 1, 12 December 2016

⁶ [Welsh Government's response](#) to the Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, September 2016

02. Roles and Responsibilities

Clarity of Roles and Responsibilities

6. The Auditor General's report sets out the various roles and responsibilities for coastal flooding and erosion, as detailed below. A broad description of these roles and responsibilities is also included in the Welsh Government's national strategy:⁷

The Welsh Government

Overall responsibility for coastal flooding and erosion in Wales including publishing the National Strategy and ensuring compliance with the implementation of measures to achieve the objectives in the Strategy.

Natural Resources Wales

- Strategic oversight of coastal flooding and erosion in Wales including:
 - providing technical advice and support to other RMAs;
 - monitoring and reporting progress of the implementation of the National Strategy; and
 - operational responsibility for flooding from main rivers and the sea.

Risk Management Authorities

The Flood and Water Management Act 2010 identifies bodies with specific responsibilities for managing flood risk as 'Welsh Risk Management Authorities' (RMAs). In Wales there are 28 RMAs including:

- Natural Resources Wales;
- 22 councils in Wales (described as Lead Local Flood Authorities); and
- five water companies providing water.

Councils

- Operational responsibility for coastal erosion and flooding from surface water, groundwater and ordinary watercourses (watercourses that are not designated as a main river).
- Some councils are also designated as coastal erosion risk management authorities under the Coast Protection Act 1949 which gives them powers to protect the land against erosion or encroachment by the sea. Under the Act, councils can do works on sea flooding and coastal erosion where they are best placed to do so, with approval from Natural Resources Wales. This is a power but not a duty.

Water companies

Operational responsibility for ordinary watercourses, drainage and water level management.

Coastal Groups Coastal groups are voluntary groups made up of councils, Natural Resources Wales, the Welsh Government and other bodies with coastal responsibilities. The coastal groups are responsible for producing, implementing and monitoring progress with the Shoreline Management Plans. They also aim to provide advice on coastal issues, share good practice and identify opportunities for joint working. There are five coastal groups operating in Wales: Severn Estuary, Swansea and Carmarthen Bay, Cardigan Bay, Ynys Enlli, and Liverpool Bay.

Other bodies also have a role in coastal flood and erosion risk management including infrastructure providers such as Network Rail and landowners such as the National Trust and The Crown Estate which may own structures currently acting as flood defences. The National Park Authorities also have certain planning responsibilities that are informed by coastal flooding and erosion risk management policies.

⁷ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, Figure 1, July 2016

7. The Auditor General found that some partners remained unclear about the respective responsibilities of the Welsh Government and Natural Resources Wales and about the distinction between responsibilities for flooding and erosion. In particular, he found that overall responsibility for coastal erosion is less clear following the implementation of the Flood and Water Management Act 2010.⁸

8. One of the recommendations made by the Auditor General was that the Welsh Government should clarify Natural Resources Wales' oversight role and how it differs from the Welsh Government's role in managing the performance of partner organisations. In written evidence, the Welsh Government referenced a project led by the Welsh Local Government Association (WLGA) and Natural Resources Wales (NRW) to clarify roles and responsibilities within the Wales Coastal Flooding Review Delivery Plan, noting that the review of the national strategy will provide an opportunity for further clarification of roles and responsibilities.⁹

9. An update on the Coastal Flooding Review Delivery Plan provided by the Welsh Government, following its initial written response, summarises the project work undertaken on roles and responsibilities (recommendation 38 in that plan). The update sets out that "a clarification of roles and responsibilities at the coast would be helpful" but also that "the extent of current issues and queries amongst risk management authorities did not appear to merit any formal change to the existing arrangements".¹⁰

10. The Committee questioned NRW and the WLGA about whether there was still a need for clarification around roles and responsibilities. They both suggested that there were a number of different roles and responsibilities arising from different legislation, but operationally this worked well. Jeremy Parr explained that there are a number of parties involved when it comes to asset ownership but they "know those issues and we work collectively together to try and address those issues".¹¹ Jean Francois Dulong, Flood and Water Officer, Welsh Local Government Association, suggested that:

"I think the roles and responsibilities issue lay around assets. But also there are some areas, for example if you take Newport, where you're going to have a coastal asset going across three or four different land ownerships. Some of these assets are historic, with no record of who owned them, and I think that's where it becomes a bit unclear. This is sometimes where we perhaps could do with a bit more guidance on who should take ownership of these orphaned assets."¹²

11. The Welsh Government told the Committee that as part of its review of the national strategy, it will be ensuring that responsibilities are clear. James Price, Deputy Permanent Secretary, Economy, Skills and Natural Resources Group, Welsh Government, explained that having considered the situation he had found:

"at a high level, the strategic picture is quite clear; at a kind of intermediate level it gets very complex, but, on the ground, people genuinely do seem to

⁸ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, Paragraphs 2.16 - 2.17, 2.21, July 2016

⁹ [Welsh Government's response](#) to the Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, September 2016

¹⁰ Written evidence: PAC(5)-07-16 P4, 31 October 2016

¹¹ Record of proceedings (RoP), Paragraph 60, 28 November 2016

¹² RoP, Paragraph 61, 28 November 2016

understand that complexity and it doesn't seem to lead to any confusion or any adverse issues. But, in reading the evidence that you've received, and in just talking to the team and challenging the team on a few things, even greater clarity about roles and responsibilities and particularly assets, I think—...would be welcome.”¹³

12. The Committee believes that improved clarity of roles and responsibilities is essential for effective delivery of coastal flood and erosion risk management. Given the number of organisations involved in delivering flood management on the ground there is a risk of confusion. To this end, we urge the Welsh Government to ensure clear details of roles and responsibilities are included within the National Strategy. We believe this would also improve transparency around lines of accountability.

Recommendation 1. The Committee recommends that the Welsh Government clearly set out in the national strategy the roles and responsibilities for all those involved in coastal flood and erosion risk management to ensure that it is clear who is responsible for delivering each aspect of the strategy.

Natural Resources Wales' monitoring role

13. Under section 18 of the Flood and Water Management Act 2010,¹⁴ NRW has an oversight role for delivery of the national flooding strategy, which it does through a report every two years to the Welsh Government. The Auditor General concluded that:

“...because Natural Resources Wales has a clear operational responsibility for delivering national objectives, it reports on its own activities and progress against the National Strategy under section 18 of the Flood and Water Management Act 2010 but without the benefits of an independent review.”¹⁵

14. The Committee questioned NRW about whether it was clear on how its role in monitoring the progress of the national strategy fits alongside the roles and responsibilities of the Welsh Government Flood & Coastal Erosion Risk Management team. In response to the question of whether it was right that NRW reported on its own activities, Jeremy Parr, Head of Flood and Operational Risk Management, Natural Resources Wales, said:

“... the report is a factual report. The report is statements of fact about what's happened, and that can be used against the objectives of the national strategy to come to judgments. So, we're not making judgments around our performance, we're reporting facts around the performance. But I do accept that, clearly, we are an operating authority and, clearly, we have our own roles and responsibilities.”¹⁶

15. In its written response,¹⁷ the Welsh Government indicated that there was potentially a role for the Flood and Coastal Erosion Committee, (which was in the process of being established at the time

¹³ RoP, Paragraph 67, 28 November 2016

¹⁴ [The Flood and Water Management Act 2010](#)

¹⁵ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, Paragraph 2.17, July 2016

¹⁶ RoP, Paragraph 70, 28 November 2016

¹⁷ [Welsh Government's response](#) to the Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, September 2016

of evidence), in terms of providing independent reporting on progress against the national strategy. The Committee explored this further in oral evidence, with Matthew Quinn, Director, Environment & Sustainable Development, Welsh Government stating:

“... The statutory basis at the moment is provided for in the current Act, so we would need to amend that to be able to do this. So, it is at the moment provided that NRW provide these monitoring reports. But the intention is to involve the committee and potentially to change the statutory basis.”¹⁸

16. James Morris, Head of the Flood & Coastal Erosion Risk Management Team, Welsh Government, re-emphasised the factual nature of these reports, but stressed:

“...But we do accept the recommendation in the WAO report that there could be a conflict here, which is why we want to take—we want to ask the new flood and coastal erosion committee to play a role in this review and reporting on flood and national strategy. Whether that takes on the role completely, which would require a change in legislation, or whether they provide a quality assurance and a signing off role, is yet to be decided.”¹⁹

17. The Committee agrees with the conclusion of the Auditor General that there may be a perceived conflict of interest with NRW reporting, albeit factually, on its own activities through the section 18 report. We would like to see one of the functions that the new Flood and Coastal Erosion Committee take on to be the quality assurance and a signing off role outlined above by James Morris, and believe this should be formalised in legislation to bring clarity and certainty to the roles and responsibilities of those involved.

Recommendation 2. The Committee recommends that the Welsh Government work with the UK Government to bring forward an amendment to the 2010 Flood and Water Management Act to place an oversight role on the monitoring of the national strategy with the flood and coastal erosion committee or another body rather than just with Natural Resources Wales.

Shoreline management Plans

18. Shoreline Management Plans in Wales inform strategic decisions about coastal protection including planning and development along the coast.

Shoreline Management Plans

Shoreline Management Plans set out coastal management policies for the next 100 years in three epochs: 0 to 20 years, 20 to 50 years and 50 to 100 years. Organisations responsible for managing coastal flooding and erosion started updating the Shoreline Management Plans in 2011, based on improved data about changes to the coastline. A further review of the Shoreline Management Plans is likely in the next five to 10 years. The policy options suggested in the plans fall into four broad areas:

- Hold the line: by maintaining or changing the standard of protection;
- Advance the line: by constructing new defences seaward of the original defences;
- Managed retreat: by allowing the shoreline to move backwards and identifying a new line for coastal

¹⁸ RoP, Paragraph 104, 28 November 2016

¹⁹ RoP, Paragraph 105, 28 November 2016

defences. This approach has implications where protecting the community from progressive flood risk is likely to become unsustainable in the future and residents may have to move to areas of lower risk;

- No active intervention: where coastal defences will no longer be maintained. Monitoring and inspection of the shoreline will still be required. Under the Flood and Water Management Act 2010, organisations responsible for managing the risks of coastal flooding and erosion have no obligation to provide, or to maintain, coastal defences.

There are four Shoreline Management Plans in Wales including two which, for oceanographic reasons, overlap the border with England.²⁰

19. In his report, the Auditor General found that the production of the Shoreline Management Plans, and the Local Flood Risk Management strategies has taken longer than expected, and some local authorities are now making slow progress in implementing the actions.²¹ When questioned on this, the Welsh Government told the Committee that the Shoreline Management Plans had all been signed off by Welsh Government in 2014.²² James Morris explained that in terms of their delivery:

“...it’s for the local authority or the coastal groups and NRW to work on the shoreline management plans and to work towards the preferred management strategy that’s set out in those plans. They’re not statutory documents, so they can be challenged at times but, as they have been signed off by Cabinet, by the Ministers, then we’d prefer, we’d expect, that local authorities and NRW follow those shoreline management plans unless local evidence and local knowledge says otherwise.”²³

20. The Committee had a number of concerns about whether there was any national oversight for the implementation of these plans particularly if a local authority did not fulfil its responsibilities. James Price stated:

“To a certain extent you open the floodgates of madness in a way if we start to take people’s statutory responsibility off them or allow them off the hook by saying, ‘We’re going to check that you’ve done what you’re meant to do under statutory responsibility’. However, I can equally see the argument that says, ‘Well, if someone didn’t do it the consequences could be very significant and who therefore is checking?’ It’s not just flooding, obviously, where we’d have this issue where people have got different statutory responsibilities, but I think the view of the team very strongly at the minute—and when I use the term ‘team’, it would be the wider kind of flood community as well—is that people are aware of what they’re responsible for and are acting responsibly.”²⁴

21. The Committee explored further how local implementation is understood at a national level to ensure that there is sufficient oversight. James Price explained:

²⁰ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, Box 2: page 9, July 2016

²¹ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, paragraphs 2.19-2.21, July 2016

²² RoP, Paragraph 72, 28 November 2016

²³ RoP, Paragraph 72, 28 November 2016

²⁴ RoP, Paragraph 83, 28 November 2016

“... national plans and strategies, including the one that’s coming out next year. It’s understood at a national level through better prioritisation of schemes and better provision of asset registers, which are both being significantly upgraded. But I think the gap that I want to assure myself is, for example, if you looked at coastal erosion—and I think the person who’s meant to do this is NRW—do they have a very clear picture—I’m told they do, but I just want to test this one more time—of all of the coast, who’s responsible for what, and is it or is it not working.”²⁵

22. James Morris told the Committee that the Shoreline Management Plans “...now sit with the coastal groups and collectively with everybody who works on coastal risk management”.²⁶ The Committee are unclear as to the role the coastal groups have in delivering actions from these plans. As a wider concern, we believe that the status and responsibilities on coastal groups should be clarified in line with the recommendation in the Coastal Delivery Plan.

23. Given the importance of shoreline management plans in informing the necessary actions for flood protection along the coast, the Committee believes that national oversight is essential. While not suggesting a micromanagement approach, we welcome assurances from the Welsh Government that there is a clear path of accountability, particularly for those areas outside of public ownership.

Recommendation 3. The Committee recommends that the Welsh Government has mechanisms in place to provide assurances that accountability for all areas of the Coast, and implementation of the Shoreline Management Plans is clear, and this information is communicated to all those with responsibility for the coastline.

Communication of flood awareness

24. Another area in need of greater clarity are the roles and responsibilities for flood awareness. The Auditor General found that although the Flood Awareness Programme is helping to engage a range of communities, it does not have a remit to communicate the difficult messages around the most appropriate long-term responses to future flood risk contained in the Shoreline Management Plans.²⁷ The WLGA commented that there were different messages about flood awareness coming from different organisations. Jean Francois Dulong told the Committee that the WLGA had been encouraging the Welsh Government to develop a ‘microsite’ or website where all risk management authorities could put their information, and that could then be accessed by all residents of Wales in a single format, to make flood risk information and the different roles and responsibilities held by organisations clearer to communities.²⁸

25. When asked, the Welsh Government concurred that a single microsite or website for risk-management authorities for the purpose of flood awareness raising activity would be beneficial. The Committee welcomes this approach as a simple and effective way to increase and improve communication.²⁹

Recommendation 4. The Committee recommends that the Welsh Government works with delivery partners to develop a single point of information for flood awareness, such as

²⁵ RoP, Paragraph 85, 28 November 2016

²⁶ RoP, Paragraph 72, 28 November 2016

²⁷ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, paragraph 1.22, July 2016

²⁸ RoP, Paragraph 199, 28 November 2016

²⁹ RoP, Paragraphs 108 - 109, 12 December 2016

a 'microsite' or website, which includes clear details of roles and responsibilities for flood awareness.

Regional Working

26. The Welsh Government has placed a greater emphasis on the need for regional working, particularly in the context of Local Government reform and the white paper published by the Cabinet Secretary for Finance and Local Government in January 2017.³⁰ The Committee believes that flood management lends itself to this approach, particularly given the wide areas covered by the emergency services and health boards in Wales, and as civil contingency officers are already working together at a regional level across Wales.

27. The Committee explored whether there had been any work on a regional collaborative basis between local authorities in addition to the five coastal groups. Jean Francois Dulong explained that there are:

“... three flood risk groups—one in the south-east, one in the south-west and one in the northwest. So, these groups were set up in 2010 when the Flood and Water Management Act was enacted. So, we’ve been, through these groups, looking at sharing good practice. We’ve been developing work programmes for these groups. We’ve got a meeting with the 22 local authorities next week looking at developing regional collaboration across the environment sector, so they’ll be looking at waste, looking at flood-risk management, and looking at what you need to have stronger and more resilient local authorities.”³¹

28. Jean Francois Dulong also highlighted that it was not just the local authorities working together:

“...and we’ve been developing and undertaking some training programmes between local authorities and Natural Resources Wales officers as well, just making sure that we offer the same schemes, to add to our own duties.”³²

29. The Committee asked the Welsh Government whether there was a case for regionalising flood-risk management. James Price explained that this does happen in terms of mutual aid (helping out with resources between authorities during a flood event):

“...authorities club together and provide mutual aid, and Welsh Government is part of that. So, at the lowest level, then, I would see that as an absolute opportunity, and we could do more of that. I would think there is an opportunity to do something at a regional level, yes.”³³

30. James Price also emphasised that it would be better to not look at flooding in isolation at a regional level, but instead consider wider environmental functions, and gave the following example:

“As a trunk road authority, the Welsh Government has responsibility for surface water and drainage on the trunk roads; local authorities will have the

³⁰ Welsh Government consultation - **Reforming local government: Resilient and Renewed** (Consultation launched 31 January 2016)

³¹ RoP, Paragraph 177, 28 November 2016

³² RoP, Paragraph 179, 28 November 2016

³³ RoP, Paragraph 211, 12 December 2016

same on their roads, and Network Rail will have similar teams out, all being funded by the public purse. There must be an opportunity to bring some of that together as well. I guess the challenge would be making it happen and not driving inefficiencies in doing that, and, secondly, not losing contact with the local communities and having some kind of uber-regional authority that wasn't able to respond."³⁴

31. The Committee welcomes James Price's undertaking to consider options for regional working and agrees that this should be considered in the wider context of other functions relevant to flood risk management and embrace the five ways of working of the sustainable development principle - long term, prevention, integration, collaboration, involvement. Given the strategy adopted by the Cabinet Secretary for Finance and Local Government to promote regional working, the Committee would expect the Welsh Government to lead on this work.

32. The Committee believes that this is an area that would benefit from a regional approach as the coast does not fall neatly within local authority boundaries, and the difficult decisions which are required would benefit from being taken consistently across greater areas. We believe that regional working should help to deliver the sustainable development principle set out above, but also should help to identify opportunities for securing multiple benefits e.g. regeneration or impacting on jobs.

Recommendation 5. The Committee recommends that the Welsh Government works with Local Authorities to consider the options for the management of coastal flood and erosion on a regional basis and reports back by January 2018.

³⁴ RoP, Paragraph 211, 12 December 2016

03. Understanding of Risk

Managed retreat

33. One of the policy options set out in the Shoreline Management Plans to deal with coastal flood and erosion is managed retreat, which is also referred to as managed realignment. This is:

“Managed retreat: by allowing the shoreline to move backwards and identifying a new line for coastal defences. This approach has implications where protecting the community from progressive flood risk is likely to become unsustainable in the future and residents may have to move to areas of lower risk.”³⁵

34. Shoreline Management Plans identify the communities that have an unsustainable future, and where managed retreat is needed. The Auditor General’s report highlights the example of Fairbourne, Gwynedd where managed retreat has been identified as necessary and sets out the early steps which have been taken to address the issues around this.³⁶ Despite managed retreat being identified as an option in Shoreline Management Plans, the Auditor General reported that Stakeholders felt that coastal residents generally did not understand the implications of the Shoreline Management Plans in areas where the approach suggested in these plans is managed realignment, or no further investment to maintain coastal defences.³⁷

35. The issue of how to address managed retreat, and the need for leadership was first highlighted in the 2009 Wales Audit office report, which concluded:

“...the Assembly Government is not providing sufficient strategic leadership to prepare for the increasingly pressing coastal management challenges. In particular, the Assembly Government has not made the strategic direction for the New Approaches Programme clear to organisations that it expects to deliver the changes.”³⁸

36. In his subsequent 2016 report, the Auditor General found that the Welsh Government had still not set out options to help councils to prepare communities for managed retreat. He concluded that this is particularly problematic, as in the absence of a clear national strategic lead, some local authorities are funding community engagement activities to develop change management plans without a realistic picture of the options available and their legal and financial implications.³⁹

37. To address this, the Auditor General recommended that the Welsh Government should develop such options, giving consideration to the legal and financial arrangements necessary to relocate people and assets away and to how it communicates the implications of its risk-based approach to the public.

38. While the Welsh Government indicated that it accepted the need for direction around managed retreat both in 2009 and 2016, the response provided to the Auditor General’s recommendation focused on the production of a coastal adaptation toolkit and appeared to stop

³⁵ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, Box 2:Page 9, July 2016

³⁶ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, Box 5:Page 28, July 2016

³⁷ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, paragraph 1.20, July 2016]

³⁸ Wales Audit Office, **Coastal Erosion and Tidal Flooding Risks in Wales**, October 2009

³⁹ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, paragraphs 2.7-2.8, July 2016

short of providing the suggested clarity on options that the Welsh Government would support to facilitate managed retreat. The Welsh Government said that “local authorities and NRW are best placed to engage with local communities on local issues of flood and coastal erosion risk” and that “our strategic approach is to support risk management authorities in this activity but not to dictate what local action should be”.⁴⁰

39. The Committee notes the Auditor General's findings that the Welsh Government has begun to undertake some research into buy-to-let schemes where residents in areas identified for managed retreat could sell their home to the Welsh Government and then lease it back while they continue to live there. However, the Committee is concerned that the Welsh Government has not decided whether to adopt such a scheme nor considered its financial implications.⁴¹

40. In written correspondence, the Welsh Government committed to learning from and working with others around managed retreat, noting that this “is a common challenge and as yet, there are few examples of well-developed national level strategies that go beyond communication to legal and financial provision for relocation of people and assets”.⁴²

41. The Committee raised significant concerns about the lack of leadership in this area with the witnesses from the WLGA and NRW. Both witnesses pointed to examples of action being taken to engage with communities, notably in Fairbourne (Gwynedd).

42. The WLGA noted that there is no statutory duty for the Welsh Government or local authorities to pay for properties at risk or take action such as compulsory purchase. The WLGA also observed that practitioners on the ground dealing with flood risk tended to be civil engineers and that there are different skills required to engage effectively with communities at risk. Jeremy Parr set out the need for:

“...guidance and, ultimately, a strategy around what the approaches will be. I think Welsh Government are putting quite a lot of emphasis on the example that is happening in Fairbourne and the research, which includes looking at buy-to-let and purchase of properties.”⁴³

43. He also emphasised that this was a very difficult issue to address.

“...it’s a difficult area, for various reasons. I think the number of parties that are involved, the nature of the issue—it would benefit from clearer guidance, but again, I think Welsh Government would say that I’m not here to speak for Welsh Government. I think they would say they’re working on it through the Fairbourne project and through the research that they’ve commissioned there, for example.”⁴⁴

44. The Committee agree that it is a very difficult and challenging area. However, we have major concerns about the lack of urgency and leadership in this area. We found much of the evidence cited to us, such as the example of Fairbourne, was very much reactive in nature, and we believe clear direction and strategy is needed to help plan proactively. The Committee found it concerning, that

⁴⁰ RoP, Paragraph 72, 12 December 2016

⁴¹ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, Paragraphs 2.7-2.8, July 2016

⁴² Written evidence: PAC(5)-07-16 P4, 31 October 2016

⁴³ RoP, Paragraph 87, 28 November 2016

⁴⁴ RoP, Paragraph 92, 28 November 2016

despite the need for leadership around managed realignment first being recommended eight years ago little if any progress has been made, and when challenged on this, James Price stated:

“This is an area that we’re working on now. Looking at Wales and the areas where managed retreat might be appropriate, it’s not a significant issue for Wales, certainly in terms of the number of people affected. But of course, if you’re one of those people who might be affected, it will be significant for you. We’re doing quite a lot of work at the minute and I would expect us to be much clearer in terms of where the Welsh Government’s policy position is over the next 12 to 24 months.”⁴⁵

45. In oral evidence, NRW highlighted that early engagement with communities at risk is important, even if the shoreline management plans suggest that the risks may not materialise for some time.⁴⁶ The Committee believes this applies across the spectrum of those responsible from elected representatives to local authority staff and NRW staff, and consideration should be given to how to upskill those with responsibility for communicating these messages.

46. When the Welsh Government were questioned about engagement with communities, James Price said:

“Now, when you consider that that’s talking about an issue [managed retreat] that’s going to manifest itself in 50 or 100 years’ time, I think that’s a reasonable timeline to get ourselves in a very good position and not to make things up as we go along.”⁴⁷

47. The Committee finds this to be a deeply complacent statement, which is symptomatic of the problems with coastal flooding and risk management, and has led us to have grave concerns about the pace of action from the Welsh Government. It is eight years on from when the Welsh Government first accepted the recommendation to provide the leadership needed in this area, and there appears to have been very little action taken.

48. We are particularly concerned about the mitigation of risk within the Welsh Government. While we acknowledge, there has been progress on understanding flood and erosion risks within the Welsh Government with the Wales Coastal Monitoring Centre, the Shoreline Management Plans and emerging risk registers/index, it is vital that action to address the risks is taken. Although the predicted risk to communities identified in shoreline management plans where it is not sustainable to protect the community from a progressively increasing flood risk is identified to manifest in 50 to 100 years, it would only take a few serious flooding events for that timescale to be drastically shortened. Furthermore, the Committee believes that the timescale of 50 years, in real and practical terms is not very long to ensure that appropriate action and support can be given. Managed realignment involves uprooting and re-establishing communities, which not only has a fundamental impact on people's lives, but it not a matter that can be undertaken over a short period. We believe planning and preparation are vital alongside clear and sensitive communication to engage affected communities in the process ensuring as smoother transition as possible.

⁴⁵ RoP, Paragraph 276, 12 December 2016

⁴⁶ RoP, Paragraphs 32 - 33, 28 November 2016

⁴⁷ RoP, Paragraph 276, 12 December 2016

49. Whilst accepting evidence from James Price that we should expect some clarity in terms of the Welsh Government policy position over the next 12 to 24 months, we are not convinced this is sufficient, given the time that has elapsed from the original report and the slow pace of progress to date.

Recommendation 6. The Committee recommends that within the next 12 to 24 months the Welsh Government must produce a policy position which sets out a range of options for managed realignment.

We expect this policy position to:

- account for the different make up of Wales, and that one size does not fit all;
- give consideration to UK wide and international examples;
- consider the skillset needed to communicate with affected communities; and
- give consideration to the statutory basis for any developments..

Knowledge management and sharing good practice

Common Asset Database

50. Given the wide range of parties involved in coastal flooding, it is important to ensure that there is good and accurate information available on the assets and their condition. The Auditor General's report found that:

“The Welsh Government has made little progress improving the national approach to coastal asset management, missing its own deadlines in the National Strategy to develop a register of coastal flood defence assets by 2014, and to establish a programme of regular maintenance. However, Natural Resources Wales is leading a project on coastal defences for the Coastal Review Delivery Plan and in late 2015 produced a report on options for a national defence dataset. In collaboration with the Welsh Government, the Welsh Local Government Association and councils, progress is now being made to combine data from Natural Resources Wales with data from councils.”⁴⁸

51. The Auditor General's report points to inconsistencies in the quality of information held by local authorities on their coastal defence assets, despite some shared asset management software having been made available. NRW told the Committee that they would like to see work on the common asset database included within the Welsh Government's 2017-18 national strategy document. Jeremy Parr said that this needed to be included because it is important to have:

“...good information about assets, you know where they are and what condition they're in. We've done a lot of good work with the Welsh Local Government Association and local authorities, and Network Rail as well, to get standardised ways of looking at assets and the condition of assets and trying to work towards a common asset database. It's something that is easily said but

⁴⁸ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, Paragraph 2.45, July 2016

quite hard to do, if you can imagine the different organisations that are involved, but we're making good progress in that regard."⁴⁹

52. In oral evidence, the WLGA noted that issues arising from a lack of expertise had made it difficult for some councils to use specific software but there had also been issues with capacity to review the condition of assets on the ground.⁵⁰ Both the WLGA and NRW pointed to the action that had been taken to train staff in a common asset inspection methodology and to ensure information is in a similar format, even if different software systems are used.⁵¹

53. The Committee have a number of concerns about how private landowners and other organisations are held to account around their responsibilities for maintaining their assets. James Morris explained:

“In terms of people like National Trust, Network Rail or the Crown Estate, they're not risk-management authorities under the Flood and Water Management Act 2010. So, where they have areas of land or walls along the coast, for example, they have expectations of 'Upkeep that wall' or 'Maintain that in a decent condition', but that's not as a risk-management authority. If that area was subjected to a risk of flooding from the sea, then NRW would come along and work with them on how to manage that risk more effectively. But there are tools in place to designate features on third-party land as a flood feature or a flood risk management asset, and then that work can be done by the local authority or NRW and charged back to the landowner. But that doesn't always really need to happen, because, where you've got a real risk to a town or a major piece of infrastructure, usually the local authority or NRW own an asset along the front of that coastline or along a river, so they'll be managing that risk effectively themselves.”⁵²

54. The WLGA noted that the Welsh Government is looking to establish a national dataset before the end of the 2016-17 financial year, to feed into the planning for the new capital programme. When the Committee asked whether this dataset would be ready before the end of 2016-17 Matthew Quinn said that work on the national asset database was due to be completed, which should bring the various registers into a common format.⁵³

55. The Committee would like to see a common asset database be developed as soon as possible. We believe it will help with managing the interactions with private bodies or other relevant organisations such as the Crown Estate and the National Trust to ensure they carry out their responsibilities around coastal erosion and flood risk.

National Flood Risk Index

56. In addition to compiling a joint asset register, the Welsh Government intends to develop a National Flood Risk Index. During the Auditor General's evidence gathering stakeholders raised concerns that this index could prove over-complicated and difficult for the public to understand.

⁴⁹ RoP, Paragraph 47, 28 November 2016

⁵⁰ RoP, Paragraph 183, 28 November 2016

⁵¹ RoP, Paragraph 185, 28 November 2016

⁵² RoP, Paragraph 266, 12 December 2016

⁵³ RoP, Paragraph 268, 12 December 2016

57. When asked about the National Flood Risk Index James Morris explained there were complexities as:

“...the risk from sea flooding is a completely different type of risk from surface water flooding. Whereas both will be horrendous for the people who suffer the effects of the flooding, there’s one that will happen far less frequently but bring much greater risk to life. So, it’s about how you count that and quantify that against more frequent low-level flooding. And it’s a difficult area. What we intend to use now is NRW’s tool called the communities-at-risk register, which in turn is based upon the national flood-risk assessment. The previous gap in using that register as a flood-risk index, bringing all the different sources together, was that it didn’t take into account surface water flood risk. We’ve asked NRW to go and bring that in and to try and calculate that and merge it in with the methodology. They have done that and now we’re just about to share that updated communities-at-risk register and the GIS data behind it with all local authorities. So, they’ll be able to use the same type of methodology as NRW.”⁵⁴

58. Jeremy Parr set out the prioritisation and risk management framework in NRW, which the Welsh Government is considering adopting on a Wales-wide basis for all of the risk-management authorities:

“As risk-management authorities we all work on a risk basis, so, within Natural Resources Wales for example, we have an understanding of risk across the whole of Wales and we prioritise that. There is something that is referred to in the reports as the communities at risk register, which is a prioritisation of flood risk, and it’s prioritised on the basis of risk to life because that’s what Welsh Government requires us to do. We use that as a tool to target where the investment goes. It doesn’t mean all the investment goes to No. 1. It means that we look at what the risk is there and what interventions can take place to manage it. So, it’s not all about building defences, as we’ve talked about; there are other things that can happen at the same time.”⁵⁵

59. The WLGA highlighted that there is a need for local politicians to be part of the decision making process around flood risk management as:

“... local priorities sometimes don’t compare to national priorities in terms of the communities-at-risk register. We stressed the need for all local politicians to be part of the decision making. On top of that we set up a consortium of public and academia bodies to develop over the next two years a mapping exercise of the highest risk areas around the coast in terms of coastal erosion.”⁵⁶

⁵⁴ RoP, Paragraph 231, 12 December 2016

⁵⁵ RoP, Paragraph 132, 28 November 2016

⁵⁶ RoP, Paragraph 136, 28 November 2016

60. James Morris addressed the concerns of the WLGA outlining:

“What we will have with the updated communities-at-risk register will be a level playing field. But it’s not the only tool. It’s still going to potentially have gaps. You can’t do everything just using a series of statistics on risk and modelling. We’ll still require local authorities to use their local evidence, local knowledge and their own common sense on actually where they feel the risk needs investigating.”⁵⁷

61. The Committee would like to see a national flood risk dataset in operation at the earliest point. We have some concerns that this has been highlighted as an area of difficulty by stakeholders, and are keen to ensure that this is not used as a reason for a lack of action. This information will help to ensure that all those involved in flooding will be working and making decisions from consistent information. It will also help support decisions on future investment priorities.

Recommendation 7. The Committee recommends that the Welsh Government develops and ensures implementation of a simple and easy to understand National Flood Risk Index which means that all flooding and erosion risks are considered together as a prioritised list.

This Index should give particular consideration to:

- areas particularly sensitive to flooding (like estuaries);
- be informed by data on risks from the Wales Coastal Monitoring Centre (and other reliable data); and
- should also factor in critical infrastructure, in line with findings from the Pitt review.

⁵⁷ RoP, Paragraph 231, 12 December 2016

04. Capacity and Resources for Flooding

Funding Arrangements

62. The Auditor General's report found that from 2010-11 to 2016-17 the Welsh Government allocated £219 million, with £120 million of this allocated to coastal schemes (£25.4 million of which was European Regional Development Fund money). In addition, during this period there was £162 million revenue funding for flood and coastal erosion risk, although the Welsh Government were unable to aggregate how much of this was for coastal flooding. The Committee notes that the funding has been maintained investment in flood and coastal erosion risk management during the current period of austerity.

63. The Auditor General's report describes how the Welsh Government is changing the way it allocates funding through two new programmes:

a) the Flood and Coastal Investment Programme will allocate funding to Natural Resources Wales and councils based on national priorities.

b) the Coastal Risk Management Programme will provide capital funding to support council coastal protection schemes delivered between 2018-19 and 2020-21.⁵⁸

64. The Auditor General's report recommended that, in reviewing the national strategy, the Welsh Government should work with partners to ensure that adequate funding is available for revenue activities such as maintenance, coastal monitoring and community engagement, including giving consideration to council spending on flood risk management through the new Single Environmental Revenue Grant.⁵⁹

65. During oral evidence, both the WLGA and NRW emphasised the need for greater long term planning and a re-emphasis of focus onto revenue funding and not just capital. Jeremy Parr explained that there is a need for long term funding to enable planning:

“The shoreline management plans, for example, talk about the 100-year time frame. I think that’s one of the challenges that we’ve had as operating organisations: relatively short-term budgets and a relative focus on capital funding, rather than revenue funding, and we need both. And we need both over the medium and longer term.”⁶⁰

66. Jean Francois Dulong added:

“... I think the way the funding is allocated, the revenue funding, doesn’t allow for that long-term resilience that’s needed to tackle flood-risk management.”⁶¹

67. Both organisations were also keen to stress the importance of appropriate revenue funding as Jeremy Parr explained:

“...it’s important that those defences are maintained, for example, and the maintenance money typically comes from the revenue budget. And all of the

⁵⁸ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, Paragraph 6, July 2016

⁵⁹ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, Recommendation 1c, July 2016

⁶⁰ RoP, Paragraph 39, 28 November 2016

⁶¹ RoP, Paragraph 40, 28 November 2016

other activities in terms of forecasting, warning and raising flood awareness, a lot of those—well, all of those—are revenue funded. So I think we’re as concerned about revenue funding as capital funding.”⁶²

68. Jean Francois Dulong added:

“...I think also the revenue funding enables those officers on the ground to develop the schemes; if we haven’t got the officers on the ground, then it’s quite limited in terms of the amount of work that can be done in delivering the capital programme.”⁶³

69. In order to address these concerns, the witnesses highlighted that they would want this issue to be a priority for Welsh Government and to have “a long-term commitment from the Welsh Government to our local authorities and perhaps to NRW to provide the resources necessary”.⁶⁴ Jeremy Parr explained that long term funding is necessary due to the long term nature of the projects, and that this approach could achieve efficiencies. He added:

“I think what we would like is longer term funding, and longer term funding doesn’t mean two or three years; longer term funding means a picture for the next five, 10 years and potentially beyond that. Clearly, in the realms of political terms of office, that’s quite difficult, but it is possible to a degree. In England, there was an agreement between DEFRA and the Environment Agency for a seven-year time period, I think it was, for a period of investment over that time period. So, you know, it is possible.”⁶⁵

70. When questioned on the balance of spending between capital and revenue James Price said:

“Obviously, we cannot build and carry on to build to an extent that you can never maintain. But this is something, if you look back in the literature on infrastructure, that people have been worrying about for 25 years. At the minute, I think our view is that we’re building at a rate that is reasonable, and the amount of money that goes into Natural Resources Wales is also reasonable in terms of maintaining the assets that we have, and that it’s for local authorities to determine the amount of money that they should be spending out of their budget, which, as you rightly point out, comes from the single environmental grant, or some of it does.”⁶⁶

71. He went on to suggest that there were potential opportunities for further efficiencies to be made around maintenance as:

“In terms of trunk road maintenance, drainage, NRW-type schemes, local authority schemes. There are different people maintaining many of these different things.”⁶⁷

⁶² RoP, Paragraph 42, 28 November 2016

⁶³ RoP, Paragraph 43, 28 November 2016

⁶⁴ RoP, Paragraph 118, 28 November 2016

⁶⁵ RoP, Paragraph 138, 28 November 2016

⁶⁶ RoP, Paragraph 169, 12 December 2016

⁶⁷ RoP, Paragraph 170, 12 December 2016

72. James Price added:

“It might be worthy of a separate, wider inquiry. There are ways around it—you can capitalise a lot of maintenance, legitimately, provided you’re providing an upgrade, or it’s a significant improvement. Possibly, there would be ways of managing revenue and capital better on a UK-wide basis. This won’t just be an issue for Welsh Government; this will be an issue for the UK at the minute as well. But my assessment is that we are— and I mean this in a positive sense— just about managing, in terms of the revenue side of maintenance of capital schemes. So, we’re not running into significant difficulty, but we are in a position where we’re having to drive efficiencies year in, year out. And I think that’s a good thing, but there will come a point where you maximise those efficiencies, and you can’t make any more. And I guess that’s the point at which you have to say, either you have to find more revenue or you have to scale back a bit.”⁶⁸

73. A clearer understanding of the resources available and the ability to plan strategically over a period of time would bring greater certainty and improve the delivery of coastal flooding and erosion risk management. Given the principles of the Well-being of Future Generations (Wales) Act 2015, to balance short term needs with the needs to safeguard the ability to also meet long-term needs, this is important. Although, the Welsh Government may assess that it is “*just about managing*” at the moment, there will be more infrastructure and assets to maintain, once the coastal risk management programme commences and the Welsh Government needs to be prepared for this. The Committee believes without this degree of certainty it is difficult to have a clear picture on the future spending need and to maximise any potential efficiencies.

Recommendation 8. The Committee recommends that the Welsh Government sets out clearly how it will effectively balance investment to support the maintenance of capital investment for coastal flooding and risk management in future.

The Coastal Risk Management Programme

74. The greatest part of the funding allocated to local authorities from the Welsh Government for flood and coastal erosion risk management has been capital allocated through the coastal protection grant. So far, the Welsh Government has funded all of the schemes councils have applied for under the grant and has not had to compare risks to make a decision on prioritising the funding of one scheme over another.⁶⁹

75. Shoreline Management Plans indicate that £20 million rising to £30 million of investment on coastal schemes will be required each year to the end of this century, and particularly to counter the increasing effects of climate changes.⁷⁰ While the new Coastal Risk Management Programme helps to meet this need through to 2020-21, the Welsh Government has yet to fully develop parts of its long-term funding strategy or helped councils to secure options for external funding. Some councils have identified potential funding partners in their initial applications for the new programme but most lack detail about sources of alternative funding at this stage.⁷¹

⁶⁸ RoP, Paragraph 186, 12 December 2016

⁶⁹ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, Paragraph 2.52, July 2016

⁷⁰ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, Paragraphs 2.22-2.24, July 2016

⁷¹ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, Paragraphs 2.25-2.35, July 2016

76. The Coastal Risk Management Programme will run from 2018-19 to 2020-21 to support councils to deliver projects in their shoreline management plans. This will be a £150 million programme. Within the £150 million, local authorities will need to contribute 25 per cent of the cost of capital schemes, with the Welsh Government providing the remaining 75 per cent.

77. The Auditor General reflected concerns raised by some local authority officers in his report, about local authorities' ability to match fund projects. In their oral evidence, the WLGA indicated that councils had put forward some 42 schemes for possible funding under the Coastal Risk Management Programme. The WLGA noted that the timescales for developing projects and securing the necessary 25 per cent funding commitment were challenging for some councils because of capacity constraints.⁷²

78. The Committee have considerable concerns about the requirement for local authorities to provide a 25 per cent funding commitment. There are substantial calls on the budgets of local authorities, particularly with other infrastructure requirements like 21st century schools. In addition, there are questions around the amount of money which will be available for local authorities to spend on non-statutory requirements. As such we are concerned that this may become a major impediment to funding these projects. We are also concerned that this additional requirement falls disproportionately on those local authorities with substantial amounts of coastline.

79. In addition to concerns about the difficulties for local authorities to raise the 25% contribution, the Committee are concerned about the timeframe in which this is based – there is little clarity over what will happen after 2021, and this may have an impact on the schemes which are put forward and the approach taken by local authorities. This echoes the Committee's concerns around revenue funding over the longer term. If the Welsh Government provided a greater degree of certainty over the period this will run, it may allow for more strategic planning by local authorities, rather than a rush to get within this three year period.

Recommendation 9. The Committee recommends that the Welsh Government, through the National Infrastructure Commission for Wales, sets out plans for the funding of coastal risk management projects after 2021.

Human Resource capacity

80. The Auditor General's report concluded that capacity constraints in the Welsh Government's flood and coastal erosion risk-management team and in local authorities had delayed progress and threatened to undermine the long-term risk management, strategic thinking and delivery in the approach to managing the risk of coastal flooding and erosion.⁷³

81. In response to a recommendation of the Wales Coastal Flooding Review, the WLGA and NRW undertook a skills audit in 2015 which highlighted concerns about councils not replacing staff who are retiring, and the age structure of those who are currently employed in this field is such that 20 per cent of the relevant workforce is likely to retire within the next 10 years.

82. The Committee raised concerns about the various challenges around staffing, which threaten the resilience of NRW and councils' ability to respond to any flooding events. Jeremy Parr agreed that:

⁷² RoP, Paragraph 141, 28 November 2016

⁷³ Auditor General for Wales Report, Coastal Flood and Erosion Risk Management in Wales, Recommendation 1, July 2016

“...it’s becoming more challenging with the budgets that we’ve had and the resources that we’ve got. I think we have professional, experienced, trained staff, who do a fantastic job. I’m sure everybody would agree. As to the floods that we had last winter in Wales, whilst not as severe as some of those in England, people in north Wales in particular will remember an extremely wet December and an extremely wet January, throughout the whole of Wales. Our resources do start to get stretched when there are a number of events across the whole of Wales and widespread flooding. It is something that is an area of concern.”⁷⁴

83. Jeremy Parr continued by suggesting that at present NRW were coping highlighting that although there were 280 full time employees across the whole of Wales, they are employed to carry out a wide range of activities and that there was a great deal of emphasis on the immediate. He added that may be more focus was needed on a strategic look, and on succession planning for the older retiring staff.⁷⁵ The WLGa echoed these concerns.⁷⁶

84. In response to Committee concerns that resource constraints may be impacting on the speed of delivery within the Welsh Government, and about the capacity and resilience of the delivery organisations to respond to flooding incidents and take forward longer term projects. James Price assured the Committee that:

“...if there are any resource constraints that are causing problems—I may regret saying this—I’ll fix them within the wider group. So, there should not be any Welsh Government resource issues in terms of people within teams causing any problems in the future.”⁷⁷

85. While, he felt that given that NRW staffing levels of 280 people working on various areas of flooding has been constant and sustained over the long term:

“...that would lead me to suggest that Welsh Government and NRW are in a position to be able to both deal with any issues that occur and maintain the progress at a strategic level, and local authorities have a statutory responsibility to do that. And the conversations that I’ve had suggest that they are indeed geared up to do that.”⁷⁸

86. In the Third Assembly, the then Public Accounts Committee raised concerns about the capacity for delivery, recommending that the Welsh Government 'ensure that sufficient resources, including financial and the necessary technical and project management capacity is made available' I its report, Coastal Erosion and Tidal Flooding Risks in Wales, published in 2010.⁷⁹ We are not convinced these have been addressed. The Committee were not convinced from the answers received that there is sufficient workforce planning, in terms of ensuring that the knowledge is maintained within the key organisations. Whilst acknowledging that there has been consistent staffing levels in NRW for

⁷⁴ RoP, Paragraph 151, 28 November 2016

⁷⁵ RoP, Paragraph 155, 28 November 2016

⁷⁶ RoP, Paragraph 156, 28 November 2016

⁷⁷ RoP, Paragraph 202, 12 December 2016

⁷⁸ RoP, Paragraph 205, 12 December 2016

⁷⁹ National Assembly for Wales, Public Accounts Committee, [Coastal Erosion and Tidal Flooding Risks in Wales, May 2010](#)

flooding, and the evidence heard that at present NRW are coping, we believe that there will be a demand for more skilled staff to deal with the very difficult issues that will need to be addressed in the future and as such this should form part of the Welsh Government strategic planning. We believe that our earlier reference to exploring options for greater regional working should pay regard to the benefits it would have in ensuring expertise is maintained and shared across authorities.

Recommendation 10. The Committee recommends that the Welsh Government undertake an audit on a two yearly basis to ensure that the necessary staff levels and skills are available within the Welsh Government, NRW, and Local Authorities to achieve the aims in the National Strategy.

Annex – Witnesses

The following witnesses provided oral evidence to the Committee on the dates noted below.

Transcripts of all oral evidence sessions can be viewed in full at:

<http://senedd.assembly.wales/mgIssueHistoryHome.aspx?Ild=15048>

Date	Name and Organisation
28 November 2016	Jeremy Parr - Natural Resources Wales Jean-Francois Dulong - Welsh Local Government Association
12 December 2016	James Price, Welsh Government Matthew Quinn, Welsh Government James Morris, Welsh Government