

Somerset County Council
Scrutiny Committee
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Somerset Rivers Authority (SRA) 2023-24 Enhanced Programme of Flood Risk Management Works and signing the SRA Memorandum of Understanding and Constitution

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Cabinet Member: Sarah Dyke, Lead Member for Environment and Climate Change Division and Local Member: All

1. Summary

- 1.1. Since it was launched in January 2015, Somerset Rivers Authority (SRA) has given Somerset greater flood protection and resilience. The Board of the SRA has approved funding for approximately 240 projects, with 70 running at present. The SRA is a partnership between different Flood Risk Management Authorities (FRMAs), in which partners are bound together through an annually renewed Memorandum of Understanding and Constitution. The SRA is able to fund extra flood protection and resilience work across Somerset because every year money is raised especially for the sole use of the SRA. In total, since 2015, Somerset has had an additional £22.8 million. As the SRA is technically what is known as an unincorporated association, since 2015 Somerset County Council has been the host authority and Accountable Body for the SRA. At its meeting on 15 March Somerset County Council Executive is expected to take a decision on whether, after 1 April 2023, Somerset Council should become the host authority and Accountable Body for the SRA, to enable its good work to continue. Somerset Council representatives to the SRA Board are expected to be nominated at 1 March Somerset County Council meeting.
- 1.2. The enhanced work undertaken by the SRA adds to Somerset County Council's wider priorities (economic, nature, phosphates) and is part of ensuring that the council has strategic alignment across everything it does (be it the county business plan, DRAFT Somerset Council Plan, district council local plans, local nature recovery strategy, climate emergency strategy, the local transport plan etc). More information about how SRA actions support these plans is provided in section 3.17 to 3.21.
- 1.3. The purpose of this report is to enable the Scrutiny Committee to understand the implications for the new Somerset Council of taking on the role of host authority and Accountable Body for the SRA. In particular, this report will focus on **Financial, Legal, Human Resources, and Reputational** implications.

2. Issues for consideration / Recommendations

- 2.1.** As stated above, the Scrutiny Committee is asked to consider and comment on the implications of Somerset Council becoming the host authority and Accountable Body for the SRA. Key issues for consideration are:
- Financial
 - Legal
 - Human Resources
 - Reputational

3. Background

- 3.1.** The winter of 2013-14 was the wettest in Somerset for 250 years. Around 150km² of land was submerged for weeks, 165 homes flooded, 7,000 businesses affected, and 81 roads closed. An Economic Impact Study¹ estimated the cost to Somerset as being up to £147.5m. In response to this flooding, Somerset councils and key stakeholders produced the 20 Year Somerset Levels and Moors Flood Action Plan (FAP). One of the main objectives of this FAP was to create a partnership body that would give Somerset greater flood protection and resilience and oversee the FAP. The SRA was duly launched in January 2015. With the launch of the SRA the objectives of the FAP became county wide objectives. The SRA funds activity across the whole county.
- 3.2.** The FAP was produced - at the Government's behest - during the devastating floods of 2013-14. Somerset County Council was involved in the preparation of the FAP; it led the FAP Leaders Implementation Group; it was instrumental in expanding the FAP to cover the whole of Somerset; it became the host authority and Accountable Body for the SRA in January 2015. In short, the council has long nurtured and supported the SRA for the good of the people of Somerset.
- 3.3.** The SRA was set up as a partnership between different Flood Risk Management Authorities (FRMAs), because different parts of Somerset have different flooding problems. Organisations are limited in what they can do individually, but working together as SRA partners they have achieved a great deal more than would otherwise have been possible. Current partners in the SRA are Somerset County Council, the four district councils (Mendip, Sedgemoor, Somerset West and Taunton, South Somerset), the Environment Agency, Natural England, the Wessex Regional Flood and Coastal Committee, and the Parrett and Axe Brue Internal Drainage Boards. Following vesting day, all local authority members will come from the new Somerset Council.
- 3.4.** The SRA does not take away any of its partners' existing responsibilities or

¹ Somerset Economic Impact Assessment of the winter 2013/14 Flooding, Parsons Brinckerhoff (2015)

accountabilities (nor any of Somerset landowners' existing responsibilities or accountabilities). They all continue. The purpose of the SRA is to give Somerset a higher level of flood protection and resilience, above and beyond the usual activities of the Flood Risk Management Authorities (FRMAs) listed as partners above. The SRA is able to fund extra work because every year money is raised especially for it.

- 3.5.** The SRA is not a Risk Management Authority (RMA) as defined in the Flood and Water Management Act (FWMA) 2010. Somerset County Council (which is the Lead Local Flood Authority), the Environment Agency, Internal Drainage Boards, district councils and Wessex Water are designated as RMAs. RMAs have statutory functions, duties and powers set out in the FWMA that enable them to fulfil their various functions. The SRA is an unincorporated association whose membership includes the RMAs listed above (except Wessex Water). These RMAs are the 'SRA Partners': the SRA Partners propose and are able to undertake projects, using SRA funding, on behalf of the SRA because they hold the expertise and the necessary statutory powers.
- 3.6.** For its first full year of work in 2015-16, the SRA had £2.7million of what was called Interim Funding from the Department for Environment, Food and Rural Affairs (Defra), Somerset's local authorities and the Parrett and Axe Brue Internal Drainage Boards. For 2016-17, and every year since, Somerset's local authorities have been allowed by the Government to raise money purely for the SRA through what is technically known as an Alternative Notional Amount (ANA) of 1.25% of 2016-17 council tax. Because the SRA has had this unique extra funding stream, for its mission of doing extra flood protection and resilience work, councils have not had to divert funding from any other services for the SRA. The level of the charge made for the SRA has not increased since 2016-17. The total amount raised for the SRA has increased from £2.7million in 2016-17 to an anticipated £3.01million for 2023-24, but that is only because the number of households in Somerset has increased.
- 3.7.** Through local taxation the SRA funds a unique depth and breadth of actions. These are grouped into five workstreams, that reflect the local priorities of the Flood Action Plan and of Somerset people, and the need to approach different challenges across Somerset in different ways.
- 3.8.** Through the SRA, an additional £22.8m has been raised since 2015: an average of £2.9million annually. Since 2015 the SRA Board has approved funding for approximately 240 projects, with 70 running at present. The SRA funds activities across the whole of Somerset. A map showing the locations of SRA funded activities since 2016 is provided at the end of this paper.
- 3.9.** The SRA does not have its own operations team undertaking works and projects. Instead, the SRA provides grant funding to its partner organisations and others to deliver projects that support the objectives of Somerset's 20 Year

Flood Action Plan and accord with locally agreed priorities. The SRA Board each year approves a series of projects which are collectively referred to as the 'Enhanced Programme'. The Enhanced Programme is the collective name given to works wholly or part funded by the SRA. These works are designed 1) to be *above and beyond* the usual activities of Flood Risk Management Authorities, and 2) to further the objectives of Somerset's 20 Year Flood Action Plan, which is overseen by the SRA. Many SRA actions and initiatives are completed within one financial year, but some require longer-term research, design, planning and implementation, so take longer. The Enhanced Programme therefore currently includes works originating and progressing over several years.

3.10. SRA Governance

The SRA is underpinned by a Memorandum of Understanding and by a constitution that all partners are committed to. The MoU is refreshed and signed by the SRA partners annually. The constitution clearly sets out the purpose of the SRA and the role of the SRA Board.

The SRA Board has the authority to:

- Agree the SRA annual Enhanced Programme and authorise Somerset County Council to release SRA funding for the delivery of its current year's activities
- Endorse programmes that reduce both the risk and impact of flooding and other activities supporting the delivery of the Vision for the Somerset Levels and Moors in 2030 and the Flood Action Plan to be carried out by the Parties
- Determine the scope of services provided by SCC as Host Authority

The SRA Board currently consists of representatives from the following organisations – the 'SRA Partners'.

One representative each from:

- Environment Agency
- Mendip District Council
- Natural England
- Sedgemoor District Council
- South Somerset District Council
- Somerset County Council
- Somerset West and Taunton Council
- Wessex Regional Flood and Coastal Committee

Two representatives each from:

- Parrett Internal Drainage Board
- Axe Brue Internal Drainage Board

It is the SRA partners that make up the SRA who deliver projects on behalf of the SRA.

3.11. The SRA Joint Scrutiny Panel meets twice a year and consists of 2 representatives from each of the county and district councils and one representative from each of the Axe Brue and Parrett Internal Drainage Boards.

3.12. SRA Achievements

Works funded by the SRA since 2015 have directly or indirectly benefitted everybody living or working in Somerset. SRA activities have included:

- extra maintenance, repairs and improvements
- innovations
- collaborations
- contributions enabling major projects to go ahead
- studies, reviews, and investigations
- long-term initiatives
- moves that respond to Somerset's special characteristics
- and mixtures of the above

In practice – to give just a few examples, workstream by workstream – this has meant:

SRA Workstream 1 – Dredging and River Management

- annual dredging of the River Parrett and the combined development of water injection dredging and silt monitoring techniques to get quicker, cheaper and less disruptive results;
- enhancing the River Sowey (Parrett Flood Relief Channel) and King's Sedgemoor Drain system;
- supporting big initiatives such as the Bridgwater Tidal Barrier, Taunton Strategic Flood Alleviation Improvements Scheme, Dunball Sluice refurbishment, Cannington Flood Alleviation Scheme, a new Highbridge pumping station and pioneering and nationally important experiments with 'Stage 0' river restoration techniques on the National Trust's Holnicote estate in West Somerset;
- repairs to river banks in Frome town centre and to the River Avill Flood Relief Channel near Dunster.

SRA Workstream 2 – Land Management including Natural Flood Management

- hundreds of schemes to slow the flow of water down through upper and mid catchments, including better soil management, storage ponds, scrapes and bunds, leaky woody dams, tree and hedge planting, and joint efforts with Highways to address the root causes of flooding problems on roads.

SRA Workstream 3 – Urban Water Management

- a major and unique review of Sustainable Drainage Systems (SuDS) at new developments across Somerset, dozens of inspections of SuDS as they are being built, and the production of Somerset-specific SuDS guidance for developers, to make places better and safer to live;
- studies of urban water management in places such as Minehead, Yeovil, Shepton Mallet and Croscombe, and Wells.

SRA Workstream 4 – Resilient Infrastructure

- tens of thousands of extra highway maintenance activities, including gully emptying, drain jetting, silt trap emptying, trash screen clearing and inspecting, clearing and repairing or replacing culverts;
- upgrades to old and inadequate drainage systems in the A38 between Wellington and Taunton and the A39 and B3191 at Carhampton;
- road raising at Shurton and Burton near Hinkley Point.

SRA Workstream 5 – Building Local Resilience

- helping people affected by flooding on the Somerset Levels and Moors to devise community flood plans;
- helping to stage annual Somerset Community Resilience events; giving communities grants for flood resilience equipment;
- helping people to set up very localised early flood warning systems;
- producing the film *Down by the River* and contributing to the Somerset Trails app;
- supporting the creation of moor associations on the Somerset Levels and Moors; and working with partners on a scheme jointly funded with the EU to encourage adaptation to the water-related impacts (flooding and drought) of climate change.

All these SRA activities – and dozens more like them – have given Somerset greater flood protection and resilience.

Details on projects funded by the SRA can be found on the Somerset Rivers

Authority website www.somersetroversauthority.org.uk

3.13. SRA Funding

Somerset County Council has been the Accountable Body for Somerset Rivers Authority since its inception. The SRA is funded through council tax and annual contributions of £10,000 each from the Parrett and Axe Brue Internal Drainage Boards. In the 2016-17 financial year a small additional charge (1.25%) was added to council tax bills as an 'alternative notional amount²' (ANA) solely for the purpose of funding the activities of the Somerset Rivers Authority. The ANA is a Parliamentary procedure enacted by, what was then, the Department for Housing, Communities and Local Government. The use of an ANA ensured that funding the SRA did not reduce funds available for other council services. This ANA is rolled forward each year to fund the SRA. The amount charged is fixed at 1.25% of the 2016-17 council tax charge. For 2023-24 the charge per band D property will be £14.65, resulting in approximately £3.01m being raised for the SRA.

3.14. Funding for the SRA has been approved annually by each of the councils at budget setting meetings. For 2023-24 Somerset County Council will set the budget on behalf of the new Somerset Council on 22 February. Somerset County Council meeting Item 5 Paper A - 'Budget, Medium Term Financial Plan and Council Tax Setting' sets out that approximately £3.01 m will be raised through council tax for the SRA in the 2023-24 financial year.

3.15. The SRA and other strategies and plans:

SRA schemes and projects add to the wider priorities of Somerset's local authorities and the forthcoming Somerset Council and supplement the new council's strategies and objectives. The SRA is also reviewing Somerset's 20 Year Flood Action Plan, with the aim of delivering a wide range of benefits.

For example, SRA activities directly contribute towards meeting priorities of the current County Business Plan.

County Business Plan Outcome 2: Safe, vibrant and well-balanced communities able to enjoy and benefit from the natural environment whilst addressing climate change.

Key priorities supported:

- A Somerset which is prepared for, and resilient to the impacts of Climate Change

² The alternative notional amount (ANA) is the formal name for the process used by central government to add funds to the Council Tax base.

- Ensure flood prevention remains a focus for the protection of communities in Somerset.

3.16. The work of the SRA addresses a number of the priorities proposed in the **draft Somerset Council Plan** and the “Vision” for Somerset Council:

The draft vision states:

“The new Somerset Council will build a fairer, greener, more flourishing, Somerset that cares for the most vulnerable and listens to you.”

SRA activity delivers the priorities of:

- A Greener, more sustainable Somerset
- An environmentally sustainable and more resilient Somerset

Climate change is increasing the likelihood and impact of flooding. The work of the SRA helps Somerset prepare for, mitigate the impacts, become more resilient to and ultimately adapt to the impacts of climate change

3.17. Climate Emergency Strategy

The work of the SRA directly supports achieving Goal 3 of the Climate Strategy – ‘To have a Somerset which is prepared for, and resilient to, the impacts of Climate Change’. Through delivering the Somerset 20 Year Flood Action Plan, the SRA partners undertake projects and activities that contribute towards tackling many of the climate change related risks identified in the Somerset Climate Emergency Strategy.

Sector	Climate Risks				
Transport Networks	Disruption to transport networks from extreme weather events, (flood and heat)	Flood risk to transport infrastructure			
The built Environment	Damage to buildings and infrastructure from extreme weather events	Increased flood risk	Increased water stress	Disruption to power and communication networks	
Business and Industry	Disruption to transport, energy and communications				
Natural	Risk to	Impacts on	Impacts	Damage to	Damage

Environment & Agriculture	vulnerable species and habitats	'eco-system services' enjoyed by people	of increased drought	natural habitats from water stress	to crops & landscapes from flooding
Water (Flood Risk & Drought)	Increase risk of coastal, pluvial and fluvial flooding	Increased flash flood risk from extreme weather events	Further stress on water resources	Increased competition for water	Drought impacts on water quality and supply
Health & Wellbeing	Disrupted access to services and facilities from extreme weather events	Flooding impacts on health, wellbeing and livelihoods			

3.18. Local Nature Recovery Strategy

Somerset Local Nature Partnership (LNP) is well established and is already leading on the Natural Environment and Farming and Food sectors of the Somerset Climate Emergency Strategy. The LNP has been identified as the natural partner to work with Somerset County Council / Somerset Council in the development of the statutory Local Nature Recovery Strategy (LNRS). The Government's ambition is that each LNRS will be a powerful new tool that will help the public, private and voluntary sectors work more effectively together for nature's recovery.

- 3.19.** Many Somerset Rivers Authority projects are designed to deliver environmental enhancements as well as flood and water management benefits. The SRA encourages and enables projects that tackle flooding from a range of angles. The SRA seeks multiple benefits where possible when providing funding e.g., tree planting slows the flow of water into rivers but also contributes to carbon capture; and, encouraging land management practices that reduce excess water run-off can also improve water quality.

4. Consultations undertaken

- 4.1.** The SRA Board considered the future hosting of the SRA and make-up of the SRA Board following vesting day at its meeting on 20 January 2023. The SRA Board recommended that after vesting day the SRA should maintain the geographic representation that is currently provided via district councils by mirroring this within Somerset Council. It has been recommended that the SRA Board replaces current county and district councillors with six Somerset Council councillors in total, one from each of the four district council areas plus one representing what used to be the West Somerset Council area. In addition, the Board recommended that the Somerset Council Lead Executive Member with responsibility for the SRA should sit on the Board. SRA Board

members also recommended that a representative from Wessex Water be invited to join the Board as it is the only Risk Management Authority not part of the SRA.

- 4.2. Councillors have the opportunity to comment on the raising of SRA funds at the budget setting meeting on 22 February. The general public also have the opportunity to raise questions at the budget setting meeting.

5. Implications

5.1. Financial:

As explained above in section 3.12 funding amounting to an estimated £3.01m will be raised for the SRA for 2023-24 from council tax. £20,000 will also be contributed by the Parrett and Axe Brue Internal Drainage Boards.

- 5.2. Somerset Council, as the Accountable Body, will be responsible for the proper oversight, management and accounting of all funds raised for, and spent by the SRA. All SRA funds will be managed through Somerset Council and overseen by a Somerset Council finance manager. The SRA Board allocates SRA funding as grants. The SRA's constitution defines the Board's purpose and authority of the Board and sets out delegations for financial decisions. All SRA Board decisions must align with Somerset Council Standing Orders and, where necessary, a key or non-key decision will be taken by the relevant council officer or Executive Member to ratify the decision of the SRA Board.

5.3. Financial Risk & Mitigation:

The SRA provides grant funding, paid in arrears, to SRA delivery partners upon evidence of agreed and eligible works being completed to the required standard. Organisations delivering SRA funded projects must first settle any charges and then claim funds back from the SRA by submitting a grant claim form. Claim forms must be signed off by a suitably qualified financial officer from the delivery organisation giving the SRA assurance that any claim is for eligible spend. This process minimises the risk of funds being spent on ineligible activity. The SRA undertakes an audit annually of selected claims to provide an additional level of assurance that SRA funds are being spent for the intended purpose.

5.4. Financial Risk & Mitigation:

Somerset County Council, on behalf of the SRA, has Strategic Grant Agreements (SGA) that it uses with SRA Partners. An SGA sets out the responsibilities of the delivery partner in relation to project delivery and financial procedures, and also sets out a process for resolution of any disputes. These grant agreements will be novated to Somerset Council.

5.5. Financial Risk & Mitigation:

Just as some projects underspend, so some projects occasionally face cost

increases. In such a case, there is a risk that an SRA delivery partner may be unable or unwilling to absorb those costs. In this instance the SRA may be asked to fund the cost increase. When this occurs the delivery partner must seek approval for additional funding from the SRA Board. This approval process allows the SRA Board to consider funding requests in advance of committing to those cost increases and allows the Board to manage its available funds in a prudent manner and to consider any impacts on the overall Enhanced Programme and budget. Where a cost increase occurs that could not be identified in advance, the SRA Board has the option to not fund that cost increase and the delivery partner would be liable for that cost. Any decision will be at the discretion of the SRA Board taking account of the SRA's financial position at the time and considering the implications of such a decision. Financial decisions are taken at SRA Board meetings or through delegated authority by the Chair and Vice Chair. Any decision taken by the SRA Board must also follow council Standing Orders and, where necessary, a key or non-key decision will be taken to ratify the SRA Board decision.

5.6. Due to the measures and procedures set out above, financial risk to Somerset Council as Host Authority and Accountable Body for SRA is deemed to be low. The SRA follows strict processes for the allocation and management of the grant funding that it provides. These processes make it very unlikely that the SRA will exceed its available budget.

5.7. Legal Implications

If Somerset Council is to be the Accountable Body for the SRA, then all decisions will be taken in accordance with Somerset Council's Standing Orders and procedures. This means that SRA Board decisions, where relevant, will be decisions in principle until ratified by the Accountable Body. For example, if the SRA Board takes a significant financial decision, this will be accompanied by a key or non-key decision by the Accountable Body.

5.8. Human Resources Implications

Somerset Council will act on behalf of the SRA Board as Host Authority. Somerset Council will employ the SRA staff (x4 full-time equivalents). As such Somerset Council will be responsible for all human resources related matters for the SRA team.

5.9. Equalities Implications

No 'due regard' issues have been identified linked to Somerset Council being the host authority and Accountable Body. Organisations delivering projects funded by the SRA are expected to assess if an Equalities Impact Assessment is required for their own projects and undertake as necessary.

5.10. Reputation Implications

Somerset Rivers Authority is an unincorporated association entered into

voluntarily by Somerset County Council and the other SRA partners through the annual signing of a Memorandum of Understanding. To be able to fulfil the function that it was set up for the SRA needs Somerset Council to take on the responsibility of being host authority and Accountable Body for the SRA. SRA funding is raised through council tax and as such it is important that there is clear democratic accountability for the raising and spending of this funding. It is proposed that Somerset Council will appoint six councillors from across Somerset to sit on the SRA Board, including the Executive Member with responsibility for the SRA. The council will also provide the legal and financial governance and processes that will allow the SRA to continue to fund additional flood and water management activities across Somerset.

- 5.11.** Should Somerset Council decline to be host authority and Accountable Body it is highly likely that the SRA would have to be wound up, as no other suitable host authority has been identified. Such a move would shutter nine years of major efforts by partners and communities across Somerset, less than halfway through Somerset's 20 Year Flood Action Plan (which was drawn up in 2014 and is overseen by the SRA). It would result in the loss of approximately £3m per year to invest in Somerset for tackling flood risks, increasing resilience to flooding and adapting to climate change. The flooding of January 2023 has reminded local communities that Somerset is still very vulnerable to flooding, despite the significant investments made by the SRA and SRA partners since the devastating floods of 2013-14.

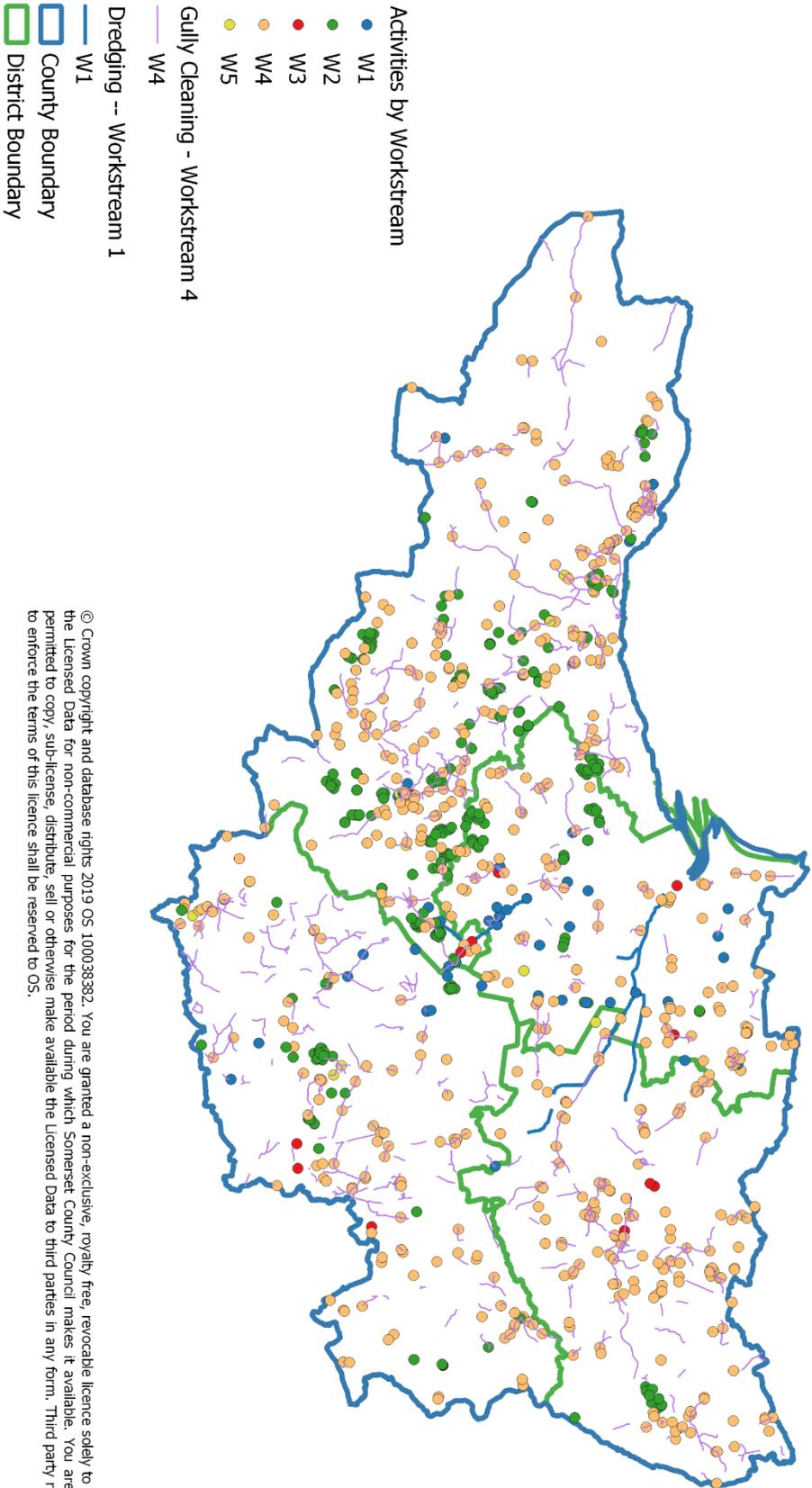
6. Background papers

- 6.1.** January 2023 - SRA Board Paper 2023-24 Enhanced Programme & Budget
[Somerset Rivers Authority Annual Report-2020-21-Summary](#)
SRA website – www.somersetiversauthority.gov.uk
Somerset Levels and Moors Flood Action Plan

Note For sight of individual background papers please contact the report author

Map showing location of a selection of SRA funded activities since 2015.

Somerset Rivers Authority - Location of SRA Funded Activities
Activities shown by workstream
Not all activities shown



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