



Flood and Coastal Risk Management (FCRM) external contributions

Policy 284_09

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Policy statement

To help us do more to manage flood and coastal erosion risks in England we will look for contributions from private, public or voluntary organisations or communities who will benefit the most from our work.

We will look for them to contribute towards:

- projects that are included in our work programmes or in our strategies or plans; and,
- changes to services we provide, for example flood warnings, that are included in our strategies or plans.



Document details



References

Objectives

- To get contributions from private, public or voluntary organisations or communities who will benefit the most from our planned work;
- To make sure that these contributions reduce our costs for creating, extending and maintaining planned assets and services. This will allow us to invest in more FCRM work than we would otherwise have been able to do;
- To obtain contributions where new housing or commercial development or regeneration requires changes to our existing FCRM assets or service arrangements. These contributions will cover the cost of creating, extending and maintaining the required assets or services;
- To look for contributions from major existing beneficiaries where our plans will further reduce the risk of flooding or coastal erosion. These contributions will be in proportion to the benefits received; and,
- To do more work in partnership with others.



Feedback

Contact for queries

Martin Smalls

Policy authorisation

Policy sponsor

David Rooke, Head of Flood and Coastal Risk Management

Explanatory note

Background

There is an increasing gap between what we can afford to do from existing public FCRM funds and what we can justify to manage flood and coastal erosion risks. Therefore we need to introduce a fair and consistent policy to get contributions from private, public or voluntary organisations or communities who will benefit the most from our planned work.

This policy statement applies to all planned FCRM work funded by:

- Department of Food and Rural Affairs (Defra);
- Department for Communities and Local Government (DCLG); and,
- Regional flood defence committees (RFDCs).

Our policy provides a consistent basis for negotiating with potential contributors and is supported by separate guidance on identifying the need for, negotiating and calculating, a contribution ([285_09 Flood and Coastal Erosion Risk Management external contributions](#) (internal link)).

It does not affect the application of any statutory arrangements associated with obtaining external contributions, for example, S106 agreements under the Town and Country Planning Act (1990) or Section 6 of the Metropolis Management (Thames River Prevention of Floods) Amendment Act 1879.

Policy principles

The following guiding principles will apply:

- projects or changes to our services that are not planned and which we would not otherwise carry out will need to be funded fully by the sponsor or their representative. These investments will not be treated as contributions;
 - any decisions about contributions will be made after planning law and related guidance have been considered, but before planning permission is granted. This will ensure that there is no inappropriate development on the floodplain;
 - developers must reduce the flood and coastal erosion risks that affect, or are caused by, their development. This must be done at their own expense. The developer will need to arrange and pay for the on-going maintenance of the asset or service. Where these arrangements and contributions are not put in place, we will object to the development going ahead;
 - developers can choose to rely on our existing FCRM assets and services, where these are at the required standard. If they do so, they cannot be made to make a contribution to the maintenance of these assets and services. They can however be encouraged to make contributions to subsequent improvement and maintenance work for these defences;
 - contributions from major existing beneficiaries will help to maximise our sustainable FCRM outcomes; and,
 - contributions from major existing beneficiaries are voluntary. However, if a major beneficiary requires work in addition to the preferred option they must pay all the extra costs.
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Incentive to contribute

The policy introduces a way to improve the priority of a project or change to an existing service when we receive a contribution.

We will calculate a contribution in a way that is economically robust and that will ensure the best return from existing FCRM public expenditure over the life of the investment (the whole life cost).

The priority of the project or change to an existing service will change because the cost of the work to Government and RFDCs is reduced. For the purposes of prioritisation only, this reduction will apply to the whole life cost of the work. The priority will increase because there is a better FCRM outcome for the level of public FCRM investment. The outcomes of the planned work will remain the same. In some circumstances they may improve, depending on the additional benefits of the work.

This change in priority may lead to some planned work taking place earlier. As a result, other planned work may then have to be delayed. However, we will use the additional investment raised by contributions to minimise this.

Types of contributions and contributors

A contribution could include:

- a single payment towards the capital cost of a project;
- a commuted sum to fund future costs;
- public sector funding to allow sustainable development or regeneration;
- an agreement to carry out maintenance over a defined period of time;
- an agreement not to seek compensation for disruption caused by the construction or maintenance of a scheme;
- the purchase of equipment to extend a service locally;
- a gift of land or a benefit in kind which will reduce the cost of a project or extending a service; or,
- a grant towards specific planned outcomes.

Contributors will come from businesses in the private sector, or from public sector funds. Communities and voluntary groups will also be able to make contributions. Some of our planned work may also be eligible for grants from bodies such as the European Union and the National Lottery. Contributions from more than one sector are likely to be co-ordinated by the local authority.

Desired outcomes

- Contributions from development in the floodplain and in areas at risk from coastal erosion are at least equal to the whole life cost for the related mitigation measures;
 - We will complete our planned work earlier with contributions. We will prioritise our work depending on the value of the contribution and what we are trying to achieve compared to other planned work;
 - We will continue to maximise the overall benefits of FCRM investments. Any work delayed as a result of a contribution to another project or service will deliver a lesser FCRM outcome for the level of public FCRM investment;
 - We will use the extra funds we receive to increase the amount of work we do; and,
 - We will do more FCRM work, including more partnership projects.
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Audience

- Flood and Coastal Risk Management staff planning investments in projects or services that will alter the existing flood risk management arrangements;
 - Planning Liaison and Development Control staff;
 - Finance and Procurement staff;
 - External Funding and External Relations staff;
 - Local authorities and coast protection authorities and their staff; and,
 - Project executives and project managers for projects that aim to change how flood and coastal erosion risks are managed.
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References

- Town and Country Planning Act, 1990
 - Coast Protection Act, 1949
 - Planning Policy Statement 25 “Development and Flood Risk”, DCLG (December 2006)
 - Planning Policy Guidance 20 “Coastal Planning”, CLG (October 1992)
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Policy implementation plan

Who are the target audiences?

Flood and Coastal Risk Management staff planning investments in projects or services that will alter the existing flood risk management arrangements; Planning Liaison and Development Control staff; Finance and Procurement staff; External Funding and External Relations staff; Local Authorities and Coast Protection Authorities and their staff; and, Project Executives and Project Managers for projects that aim to change how flood and coastal erosion risks are managed.

Do they require awareness training or education?

We will raise awareness of this policy among the target audiences. Some people may need additional training. We will build up guidance documents and best practice to help our staff to carry out the policy.

What do they need to know?

How to decide if a project or change to an existing service is suitable for a contribution; how to approach organisations to look for contributions; how to calculate what the contribution should be; who to contact for advice;

The information required for the MTP; and, the information required for Gateway 1, PAB and Strategy approval.

When do they need to know it?

When discussing strategic and local development options with regional and local planning authorities; When starting work on FCRM strategies and before negotiating with potential beneficiaries or contributors to specific planned projects or to planned changes to our existing services.

How will they be told?

We will develop a communications plan, including details on how we will communicate with, and provide information to, the target audience. The plans may include holding workshops and putting information on the intranet. In order to avoid unfair treatment of projects proposed by other operating authorities, we will also tell them about this policy and how they can use it when planning projects.

Who will tell them?

Flood and Coastal Risk Management Investment and Funding Team; External Funding teams; and, experienced practitioners

Monitoring of progress

Methods

Finance teams and External Funding teams will monitor progress. Other methods will be used if appropriate.

| Success criteria | Date completed |
|---|----------------|
| Increase contributions towards planned work | |
| Meet efficiency targets | |
