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Cyfarwyddwr Cyffredinol / Director General

Y Grŵp Newid Hinsawdd a Materion Gwledig Climate Change and Rural Affairs Group



Adrian Crompton Auditor General for Wales Audit Wales 24 Cathedral Road Cardiff CF11 9LJ

13 March 2023

Dear Auditor General

Thank you for your report 'A Picture of Flood Risk Management'. I am writing in response to the key issues raised in the report, and to provide you with an update on our approach to flood risk management in Wales and progress to date.

I would like to begin by thanking you and your team for an incisive and balanced report, which acknowledges the progress we have made since 2016. I also welcome the challenges raised in your report, and the clarity it brings to the key issues affecting delivery of flood risk management.

As your report acknowledges, addressing the increasing impacts associated with climate change is critical to everything we do. Welsh Ministers have committed to providing record levels of investment to tackle flood and coastal erosion risk. Keeping pace with the increasing risks arising from our changing climate will continue to present delivery challenges for government, the wider public sector and contractors.

Your report recognises that Welsh Government flood and coastal erosion funding will increase by 48.7% in real terms from 2021-22 to 2024-25, and that local authorities have received record levels of funding over the past two years. Welsh Ministers' intend to provide as much early certainty as possible regarding spending plans and multi-year settlements. However, wider budgetary pressures can make such commitments a challenge.

Natural Resources Wales' (NRW) analysis of our long-term investment requirements will provide us with greater clarity, and this may help to articulate the case for multi-year spending plans. NRW have shared their initial assessment with Welsh Government Flood Branch officials. We are now considering NRW's assessment, and further discussions are planned for April. Wales' Flood and Coastal Erosion Committee report into resourcing has



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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

highlighted several delivery challenges, including public and private sector capacity and capability constraints, which have already begun to impact delivery. We are committed to acting upon the outcomes of these reports, and my officials will ensure they are considered by the Flood and Coastal Erosion Risk Management (FCERM) Programme board. As the cross-sector and expert board responsible for overseeing the delivery of our flood capital programmes, it is best placed to inform Ministers' decisions on their preferred way forward.

I note your comments regarding the gaps in collective FCERM leadership. These issues can be linked to the staffing problems identified in your report. Flood risk management is an engineering specialism, which can give rise to recruitment challenges. The specialist nature of the work can also mean that, in some cases, efforts to join-up delivery with other portfolios and investment programmes are not as effective as they might be. Flood Branch has already initiated discussions with NRW and the Welsh Local Government Association (WLGA) to explore how we can address these challenges, with the ultimate aim of maximising the cross-cutting environmental, community and economic benefits that can be secured through flood risk reduction.

We are encouraging the pursuit of partnership funding throughout our National Strategy and FCERM Business Case Guidance, and there have been some recent successes. Flood Branch is working closely with colleagues in agriculture to integrate natural flood management into the development of the Sustainable Farming Scheme. The aim is to incentivise landowners to utilise nature-based solutions to provide a range of benefits such as improved flood risk management, water quality and biodiversity. I acknowledge that partnership funding the larger infrastructure requirements remain a challenge for Risk Management Authorities (RMAs). My colleagues will raise these concerns with the WLGA and the Wales Flood and Coastal Erosion Committee.

With regards to the publication of flood risk management data, we worked closely with NRW to produce the Wales Flood Map, which is comprised of Flood Risk Assessment Wales and the Flood Map for Planning. The map was a significant undertaking but, as reflected by the numerous measures in our National Strategy for Flood and Coastal Erosion Risk Management, we do not consider this piece of work complete. We see the Wales Flood Map as an ongoing piece of work and expect it to be regularly updated to reflect the changing picture of risk. This means updating the map to reflect the increasing risk associated with climate change, whilst also reflected the reduction in risk to communities as a result of our continued investment. We will continue to work closely with NRW to achieve this.

To that end, we are working alongside the WLGA, NRW and local authorities to progress work on a national asset database, and for this to be incorporated onto a public facing platform. It is our ambition that the asset database will show the condition and ownership of all RMA-owned flood risk management assets in Wales and the benefits they bring in reducing flood risk. Your report acknowledges that this work is ongoing, and I would like to reassure you that this remains a priority for both the Welsh Government and NRW.

We also remain committed to preventing avoidable risks by directing development and redevelopment away from areas at risk of flooding. Welsh Ministers want to use the planning system to reduce the risk of flooding that people face in their homes and workplaces and for our key infrastructure. We are currently consulting on changes to TAN 15 which, while seeking to ensure that no new highly vulnerable development is built in areas of greatest risk, would allow for appropriate regeneration and redevelopment. Your report also raises concerns over the lack of recent data on planning consents in high-risk areas. Looking ahead, we will need to explore whether a revised process is needed given the changing

policy context, including the forthcoming planning guidance and redefinition of areas at risk of flooding.

I would like to close by reiterating our commitment to reducing flood and coastal erosion risk. The Programme for Government commits to an ambitious target of providing increased flood protection to over 45,000 properties, to deliver nature-based flood management in all major river catchments to expand wetland and woodland habitats and to enhance our approach to Sustainable Drainage Systems (SuDS).

As part of the Co-operation agreement with Plaid Cymru, the Minister for Climate Change and Sian Gwenllian MS invited Professor Elwen Evans KC to review local government Section 19 Flood Investigation Reports, and NRW's own report into the extreme flooding of 2020 and 2021. The review is ongoing, and seeks to identify areas for improvement, good practice, successes and lessons learned. The National Infrastructure Commission for Wales (NICW) is assessing how we minimise flooding to homes, businesses and infrastructure by 2050 also. NICW's review is expected to complete in 2024.

The storms and flooding of early 2020 served as a costly reminder that there is still much work to be done. Welsh Ministers recognise the devastating impacts of the 2020 floods and those since on communities and businesses and Ministers responded quickly to provide significant funding to support recovery. Our investments in flood infrastructure to date have helped to significantly reduce flood risk and impacts. We estimate that NRW's main river flood defences have reduced risk to around 73,000 properties, and the defences along the River Taff prevented flooding to over 880 properties during Storm Dennis.

There is still much work to be done, but Welsh Ministers remain committed to reducing the risk to our communities and delivering against the measures set out within our National Strategy.

In line with good practice, I am copying this letter to the Chair of the Public Accounts and Public Administration Committee.

Yours sincerely

Tweeyubushe.

Tracey Burke

Director General, Climate Change and Rural Affairs Group