
Third Special Report of Session 2014–15

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Environment, Food and Rural Affairs Committee

The Environment, Food and Rural Affairs Committee is appointed by the House of Commons to examine the expenditure, administration, and policy of the Department for Environment, Food and Rural Affairs and its associated bodies.

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The Committee is one of the departmental select committees, the powers of which are set out in House of Commons Standing Orders, principally in SO No 152. These are available on the internet via www.parliament.uk.

Publication

Committee reports are published on the Committee's website at Environment, Food and Rural Affairs Committee - UK Parliament and by The Stationary Office by Order of the House.

Evidence relating to this report is published on the Committee's website at Winter Floods - UK Parliament.

Committee staff

The current staff of the Committee are David Weir (Clerk), Anna Dickson (Second Clerk), Clementine Brown (Assistant Clerk), Sarah Coe (Senior Committee Specialist), Sara Priestley (Committee Specialist—Environment), Maria Prew (Senior Committee Assistant), Lisa Stead (Committee Assistant) and Hannah Pearce (Media Officer).

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Third Special Report

The Environment, Food and Rural Affairs Committee reported to the House on Winter Floods in its First Report of Session 2014–15, published on 17 June 2014 as HC 240. The Government’s response to the Report was received on 1 October 2014.

Government response

Introduction

The Government welcomes the Environment Food and Rural Affairs Committee’s report on Winter floods 2013–14. We agree with Committee that the flood relief efforts undertaken by the Environment Agency, local councils, Internal Drainage Boards (IDBs), local volunteers and many others during this period of extreme weather were highly commendable, as was the strong spirit of partnership working in many areas.

We endorse the Committee’s view that investment in flood prevention is preferable to spending on clean-up, which is why the Government is spending more than £3.2 billion over the course of this parliament on flood and coastal erosion risk management (between 2010/11 to 2014/15) and has made an unprecedented six year commitment to record levels of investment in improving flood defence up until 2021. We also agree with the Committee on the importance of maintenance work, including dredging of watercourses where that is the most effective option, and on the need to ensure that this is appropriately funded with a clear division of responsibilities.

We are pleased that the Committee’s thinking is in line with the Government’s approach in a number of areas, including on utilising local knowledge and empowering local action; extending public sector cooperation agreements; and rolling out wider deregulation following completion of the River Maintenance Pilots provided the evidence supports this. We will be continuing to work actively over the coming months to make it as easy as possible for local bodies and communities to manage their own flood risk and achieve better outcomes for local people. The Committee’s report is a timely contribution to our thinking on that.

Winter floods relief effort

1. We commend the widespread help provided to communities during the winter floods relief effort. Repairing and replacing damaged flood defence assets following the winter storms is an immediate concern, but longer-term issues such as improving resilience to withstand future flooding events must not be overlooked. (Paragraph 9)

We welcome the Committee’s acknowledgement of the efforts and commitment demonstrated in responding to the winter storms and we agree with the need to prioritise the repair of the defences damaged during those events. Repairs started immediately after the December surge and will continue throughout the year. Thanks to the additional £270
million which Defra has made available, a comprehensive programme of works has been implemented to repair and restore flood defence assets. 890 urgent repair projects have been allocated funding right across the country. As of the 4 September 2014, 453 (51%) of these permanent repairs have been completed, protecting around 200,000 homes. The remainder are either planned or under way. All communities affected will have either permanent repairs completed by the end of October this year or temporary repairs completed or temporary defences and if necessary additional temporary pumps in place.

Defra recognises the need to improve resilience to withstand future flooding events in the long-term. In addition to the work taking place to protect infrastructure and maintain and repair defences, we are spending £4 million over two years on 13 community resilience pathfinder projects, in order to support local communities to identify what works in preparing for and becoming more resilient to flooding.

Riparian owners

2. Defra must work with the Environment Agency to improve public awareness and understanding of the division of maintenance powers and duties, particularly in relation to watercourse maintenance, and to ensure that riparian owners discharge their watercourse maintenance duties. (Paragraph 14)

The Government agrees that the respective powers, duties and responsibilities of flood risk management authorities and riparian owners should be made as clear as possible.

The Environment Agency has produced a leaflet called ‘Living on the Edge’ to help explain to people who own land or property next to a river, stream or ditch their roles and responsibilities around watercourse maintenance. ‘Living on the Edge’ was first published more than ten years ago and has been regularly updated and reissued. The latest update was published in April 2013 to reflect changes made to the law by the Flood and Water Management Act 2010. This leaflet is regularly sent out: to those who contact the Agency with particular concerns about watercourses, to those attending open days and is available to download on the gov.uk website. The Agency is continuing to use this document when meeting with land and property owners to explain the joint management of flood risk.

The Environment Agency has used the nine River Maintenance Pilots (see below) to ensure that local landowners understand their responsibilities to maintain the beds and banks of watercourses flowing through their land, and to clear any obstructions from the channel and the banks. Building on this experience, the local meetings referred to below (recommendations 8 & 9) will be used to extend that understanding more widely so that there is a clear recognition of roles and responsibilities, with the intention being for all stakeholders to contribute towards a coordinated approach for maintenance.

The Environment Agency also meets with IDBs and Lead Local Flood Authorities (LLFAs) along with other local stakeholders to discuss its maintenance plans each year. The Environment Agency will use these meetings to agree how it can make further improvements to make it easier for landowners/ communities to find out who is undertaking watercourse maintenance.

Where a stream or culvert becomes silted up, choked with weeds, or the flow of water has been obstructed causing flood risk to others, the Environment Agency and local authorities
have powers to require the relevant person to maintain the flow of the watercourse. Flood risk management authorities work with local riparian owners to encourage them to take action and if necessary, take enforcement action to compel them to do so.

The 2012 floods showed that the public had a poor awareness of the division of responsibility for maintaining Main Rivers and Ordinary Watercourses. To improve this the Environment Agency's National Customer Contact Centre now provides advice on whether a watercourse is a main river that the Environment Agency has powers to do work on and if so will direct customers to the appropriate local team. If an ordinary watercourse, customers will be directed to the appropriate LLFA or IDB. Customers can also be directed to where they can find information on what maintenance activities the Environment Agency is undertaking on a watercourse near them. The Environment Agency's main rivers are shown on maps on the gov.uk website.

3. If an independent evaluation supports deregulation following completion of the river maintenance pilots, we urge Defra and the Environment Agency to relax the regulatory position and implement the piloted system across the country as soon as is reasonably practicable. (Paragraph 18)

A series of one-year river maintenance pilots were launched in October 2013 to remove red tape and help farmers in seven areas of England manage their own watercourses, while also protecting the environment. Defra announced in May that the scheme has been extended. Two new pilot areas, in East Lytham in Lancashire and on the River Eau in Lincolnshire, have been created, taking the total to nine. In addition, the existing River Idle pilot has been substantially expanded to take in the Isle of Axholme.

The Government will consider carefully, in discussion with stakeholders, what lessons can be learned from the pilots, and will take these into account in a new, streamlined consenting system for river maintenance to be introduced by the end of 2015. This will enable us to relax regulation wherever the evidence demonstrates that this is justified, with regulatory effort being focused on higher risk activities to ensure that effective flood risk management is maintained and the environment is protected.

Integration of Environment Agency flood defence consents into the environmental permitting framework will enable us to introduce a variety of different permits: exclusions (very low risk activities which the landowner may undertake without any permit), exemptions (lower risk activities which the landowner undertakes after registering, registration will be free), standard rules permits (standard requirements and conditions for the relevant activities are set out so that applicants can see in advance whether the permit is applicable to their proposals) and bespoke permits (permits written specifically for activities which are unique or of higher risk). We are already receiving information from the river maintenance pilots to inform which type, or types, of permit will be appropriate for dredging to remove silt. We plan to consult on our proposals in winter 2014/15.

The nine river maintenance pilots in England will continue to run until March 2015 to give farmers and other landowners extra time in which to take care out work that had been disrupted by last winter's floods.
Internal Drainage Boards

4. We support the introduction of public sector co-operation agreements between the Environment Agency and Internal Drainage Boards to enable Internal Drainage Boards to undertake maintenance of watercourses in their districts with the requisite funding to support their activities. (Paragraph 21)

We welcome the Committee’s support for the introduction of public sector co-operation agreements (PSCAs) between the Environment Agency and IDBs, and we are pleased that these agreements are being rolled out increasingly widely to enable flexible joint working.

PSCAs enable the Environment Agency to make full use of IDBs’ local expertise and knowledge in allocating funding for maintenance on main rivers in and around their districts. Using PSCAs, IDBs may undertake a range of main river maintenance activities on the EA’s behalf with the actual costs of the activities being reimbursed.

There are now 14 PSCAs in place between the Environment Agency and IDBs and a further 29 have been agreed in principle. A wide range of works on main river have already been delivered using the PSCAs and discussion on future works to be undertaken during this financial year and beyond, are in progress.

The Environment Agency has produced guidance on setting up a PSCA and developed a template agreement with input from the Association of Drainage Authorities and a number of pilot IDBs to ensure it is easy to use. The guidance and the templates are available on the Association of Drainage Authorities’ website.

The Environment Agency is proactively promoting PSCAs across the country and is looking to establish agreements with all IDBs in the near future.

5. In its response to this report, we invite Defra and the Environment Agency to make clear how often section 57 of the Land Drainage Act 1991 is utilised and to inform us of the aggregate amount of payments made by the Environment Agency to Internal Drainage Boards in 2013/14 under this legislative mechanism. (Paragraph 24)

The use of section 57, which permits IDBs to make applications to the Environment Agency for contributions towards expenses incurred by managing water received from land at a higher level, is widespread. For example, all IDBs in East Anglia and the Midlands regularly use section 57. The total number of IDBs making use of section 57 varies dependent on local weather and river flows.

For the financial year 2013/14 the amount paid by the Environment Agency’s Regional Flood and Coastal Committees to IDBs under section 57 amounted to £3.335m.

Agricultural land

6. Agriculture is a major industry and an important rural employer and we remain concerned that the current method for allocating flood defence funding fails to recognise the importance and value of agricultural land. (Paragraph 28)
7. We recommend that Defra revisits its policy for flood and coastal risk management funding allocation to recognise the economic and social value of agricultural land. (Paragraph 29)

The Government very much agrees with the Committee on the importance of agriculture to the rural economy.

The case for maintaining or improving the defences for agricultural land is assessed in a similar way to other economic assets. Defra’s policy statement on the appraisal of flood and erosion risk management underlines the need to value agricultural land and the damages that can occur as a result of flooding and erosion (https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/69419/pb13278-erosion-manage-090619.pdf). Values are calculated for the damages avoided to agricultural land, crops and productivity together with impacts on infrastructure and other assets which play a role in growing food and making it available to consumers. In extreme flooding or coastal erosion scenarios, loss of land for productive agricultural use can also be valued in the economic appraisal. This information is all taken into consideration by the Environment Agency and other authorities in their planning and investment decisions. Defra are planning to update the technical agricultural valuation guidance during 2014 further to the latest round of CAP reforms, and have invited the National Farmers’ Union to submit any evidence to this review.

The Environment Agency prioritises flood risk management asset maintenance on high consequence areas, which helps to protect approximately 50% of the agricultural land in England that is at flood risk. This includes the majority of the most productive Grade 1 and 2 land. This Government will be spending more than £3.2 billion over the course of this Parliament on flood and erosion risk management (between 2010/11 to 2014/15), and much of the 1.3m hectares of agricultural land at flood risk will benefit from this investment. The Environment Agency’s ongoing asset maintenance programme continues to provide substantial benefits for agricultural land by reducing the risk of flooding from main rivers and the sea. Capital investment is also helping. For example, Defra funded projects completed during the past three years have provided an improved standard of flood protection to more than 235,000 hectares (580,000 acres) of farmland.

Changes were made to the funding approach for flood risk management in 2011 with the aim of using Defra funding to leverage other contributions to worthwhile schemes to increase the work undertaken and ensure that flood risk management is not limited to what Government alone can afford. Early indications suggest that rural areas are benefitting from this approach with around 25% more schemes going forward with Defra grant in aid than would have been possible under the old rules.

Dredging

8. The importance of land drainage should not be underestimated. Local solutions and the history of local drainage in the relevant catchment area should be taken into account when deciding on measures to prevent flood risk. Where dredging is appropriate, the benefits need to be sustained through routine maintenance. Too often work is neglected until a need is created for costly one-off capital investment. (Paragraph 34)
9. When dredging is beneficial as part of a portfolio of measures, Defra must give a long-term commitment to fund regular maintenance in the relevant catchment area. (Paragraph 35)

We agree with the Committee on the importance of land drainage. We also agree that local solutions and the history of local drainage in the relevant catchment area should be considered when deciding on measures to reduce flood risk. The Environment Agency takes rigorous account in its decision-making of all damages avoided in terms of flood risk, including damage to farmland and agricultural businesses. Improved land drainage is a positive outcome from many Environment Agency flood risk management schemes and maintenance activities.

Dredging of watercourses to remove silt is an important element of the Environment Agency’s channel maintenance programme, along with work to remove obstructions and to control weeds. Defra has allocated an extra £70m to the Environment Agency for asset maintenance work over the next two years, including more dredging and other work to improve channel conveyance such as clearing debris or cutting weeds. The additional money for 2014/15 will benefit some 4,800km of watercourses in England (around 13% of the total). In particular, £9m will be invested in additional dredging at over 270 locations, covering 93km and benefiting around 2,000km of watercourse with improved conveyance. The Environment Agency is currently developing its 2015/16 programme of work, which will include further additional dredging activity.

We agree with the Committee that the effectiveness of dredging in managing flood risk varies substantially for each stretch of river. In some areas dredging is the most cost effective approach. In others it would divert resources away from other flood risk management activities which are more beneficial to local communities, such as maintaining pumps, sluice gates or raised embankments, or could even increase flood risk downstream. It is therefore right that the Environment Agency should assess its contribution to flood risk management carefully on a location by location basis, working in very close consultation with local experts and communities to ensure that decisions are based on the best available evidence.

We recognise that for dredging to be effective in managing flood risk an ongoing commitment is generally needed to ensure that accumulations of silt do not build up again over time, restricting flow in the channel. The Environment Agency will undertake dredging as part of ongoing routine maintenance where the evidence shows that this is sufficiently beneficial in reducing the risk of flooding compared with other flood risk management techniques.

The Environment Agency will improve transparency and engagement with local communities and organisations over its maintenance plans, in line with best practice. This includes engagement over its plans for dredging. Over the autumn the Environment Agency will hold meetings with local interests across the country to explain its current maintenance plans, giving stakeholders the opportunity to challenge and contribute to these and influence the maintenance programme for the year ahead. This engagement process will help move towards a co-ordinated plan for river maintenance in each catchment area, with clear divisions of responsibility so that local people can have confidence about what work will be undertaken and the outcomes it will deliver.
Allocation of funding

10. Where responsibility for maintenance work is devolved to make the best use of local knowledge and expertise, the allocation of Defra funding should reflect this to support the organisation undertaking the work. (Paragraph 38)

The Government considers it important that the Environment Agency should focus its efforts and resources on those areas where the risk or consequences of flooding for communities, businesses, property and infrastructure are greatest. This is in line with its strategic role and flood risk management responsibilities as set out under the Flood and Water Management Act 2010.

In other areas, where the flood risk implications for communities and property are less significant, we consider that responsibility for watercourse management sits more appropriately with expert local bodies, including local authorities and IDBs as well as riparian owners. These bodies are best placed to take decisions on local priorities in discussion with their communities, including decisions in relation to land drainage, which we recognise as a significant consideration particularly for agricultural businesses.

We are keen to facilitate maintenance activities by local bodies or individuals in areas where these are not a priority for the Environment Agency in terms of flood risk management, but are regarded as important locally. Funding for such work would need to come largely from local sources. We are, however, currently working across government to identify any barriers to the local fundraising needed to support such flood risk management activities, and to consider how these can best be addressed. The Environment Agency and Natural England will provide guidance and advice to local bodies and individuals to enable them to undertake dredging and other watercourse maintenance activities in line with best practice. Initiatives such as the River Maintenance Pilot scheme are also helping to enable local action.

The local meetings on maintenance referred to above will be used to identify opportunities for other organisations or individuals to undertake maintenance work and consider how they can best be supported in that. Where local authorities or IDBs agree to take on work on behalf of the Environment Agency, local public sector co-operation agreements will be used to determine how funding should be transferred between organisations to ensure that best overall value for money is achieved. This builds on the excellent work already being undertaken by bodies such as the Lincolnshire Flood and Drainage Strategy Group, which the Committee rightly singles out for praise.

Additional funding

11. We welcome the additional funding that has been announced by the Government in 2014, but a large proportion of the funding that has been referred to as “additional” should have been more accurately described as “reallocated”. (Paragraph 41)

12. If funding is reallocated from within an existing budget, Defra must ensure that the process is completely transparent and provide a clear and detailed accompanying explanation which sets out what activities are receiving less funding as a result. (Paragraph 42)
The £270m funding is additional funding for floods, either through an allocation of additional funding to Defra by HM Treasury, or a reallocation between internal Defra budgets.

The £140m, announced in the Budget, is an increase to the Defra budget with funding as set out in the Budget document. The remaining £130m, announced in February, has been found within Defra’s existing budgets. This has mainly been through exceptional flexibility provided by HM Treasury to transfer underspends into the current financial year, including those from ringfenced Disallowance budgets; with the remainder coming from an internal re-prioritisation.

Defra has a robust mechanism for allocating and reallocating budgets and has a clear audit trail of where, when and why budgets are changed.

Defra receives notification of its budget in the settlement letter from HM Treasury. The settlement is then subject to change in subsequent budget and autumn statements. Defra allocates this budget across the Defra network on an annual basis. The process is a lengthy iterative process of review and negotiation that begins in early autumn and completes in March. The allocations are made on consideration of priority and business requirements. Final allocations are proposed by Defra’s Executive Committee. These proposals are put to the Minister who approves the final budget.

From the allocations process we move into in year management of budgets. Regular and routine expenditure forecasts and business cases for additional expenditure, measured against the existing budgetary control totals, are used to inform Finance Panel decisions on budget reallocations. Such decisions are recorded in the Finance Panel minutes and the revised budget allocations are recorded on the Oracle financial system alongside the original budget allocations. The allocation of additional budget to any particular activity is achieved either from general underspends emerging in the year or from specific actions intended to release the necessary budget. Where reallocations meet the necessary criteria, they are actioned in the Supplementary Estimate with reasons for each change recorded in the Supplementary Estimates memorandum.

Clearly this budget management process is an on-going exercise and involves many lines of expenditure codes which are aggregated for overall budgetary control purposes.

**Capital versus revenue**

13. We agree with the Secretary of State that the distinction between capital and revenue funding “is a bit of a grey area in practical terms”. Depending on the local circumstances, the separate budgets can also create a perverse incentive to defer maintenance work until it creates a need for capital expenditure. (Paragraph 47)

14. We recommend that the Government assess the possibility of a transition to a total expenditure classification for flood and coastal risk management funding to allow funding to be targeted according to local priorities, and publish that assessment. (Paragraph 48)

Programming of work is based on priority and need, and not on the nature of the budget. At a high level, the use of Capital and Resource spending within the flood risk management
The Environment Agency applies accounting and budgeting rules through clear and detailed guidance to ensure that expenditure is correctly recorded. The Environment Agency absolutely does not allow its assets to decay in order to access funding.

At the level of departmental budgets, HM Treasury rules ensure that money earmarked for investment (Capital) is distinguished from current spending (Resource). A reallocation can be made from Resource to Capital but not from Capital to Resource. This ensures that an appropriate level of public spending can be directed towards capital investment and is a necessary part of the framework for achieving the Government's fiscal mandate for responsible management of the public finances.

Within this framework, budgets for the flood risk management programme are set to allow in practice for the degree of flexibility needed to manage the programme effectively and secure value for money in the management of flood defence assets. Where there is potential uncertainty about the Resource/Capital nature of the expenditure, funding is allocated as Resource. Then when the nature of the spend is confirmed, by reference to Consolidated Budgeting Guidance and relevant Accounting Standards, a reallocation from Resource to Capital is requested and effected in the supplementary estimate. For example each year the Environment Agency receives local levy funding which is allocated as Resource, then a proportion is reallocated to Capital once the nature of the spend has been determined.

**Maintenance funding**

15. Funding for maintenance is at a bare minimum and needs to increase in line with funding for new capital schemes and the increasing flood risk caused by more frequent extreme weather events. (Paragraph 53)

16. We recommend that Defra increase revenue funding to ensure that there is sufficient investment in maintenance work, including conveyance and dredging. We urge Defra to immediately draw up fully funded plans to address the backlog of appropriate and necessary maintenance work and to accommodate the increased requirement caused by the growth in numbers of capital assets. (Paragraph 54)

Revenue funding for the Environment Agency's asset maintenance work has been increased by £35 million in 2014/15 and 2015/16. This will enable the Agency to ensure that 97% of its defences in high consequence areas are at target condition as soon as possible following the damage done over the winter. Decisions on revenue budgets beyond 2015/16 will be made at the next spending review.

The case for central government spending on flood risk management assets lies in the economic damages avoided to the nation as a whole. Accordingly, Defra funding is prioritised and allocated to those activities which most cost effectively reduces flood risk. This varies from place to place and in some cases includes conveyance and dredging. However, it would not represent value for taxpayers' money to allocate funding to any particular maintenance activity where spending the same money on an alternative would have a greater effect in terms of reducing flood risk. For this reason Defra does not make a specific allocation for dredging, conveyance, or any other activity.
It is not a simple case that revenue is for maintaining existing assets and capital is for building new assets, which inevitably increases ongoing maintenance costs. New flood and coastal risk management assets most often involve new ways of protecting communities that already benefit from some level of protection. When considering the best way to reduce flood risk the Environment Agency assesses the whole life costs and benefits of alternatives. The new or rebuilt assets often need less, not more, maintenance than the structures they replace. Capital investment in new risk management assets does not, therefore, necessarily increase the ongoing costs of maintaining them. The Government’s record level, 6-year capital commitment for improving flood risk management will help maintain assets and reduce ongoing maintenance costs.

As the Committee report recognises, responsibility for maintaining water courses ultimately lies with riparian landowners and the costs of ongoing maintenance of flood risk assets and watercourses is not for government alone.

A new multi-objective environmental land management scheme (NELMS) for delivery under the next Rural Development Programme (Pillar 2) will allow farmers and land managers to contribute to delivery of outcomes for soil and water, including flood risk. Although biodiversity will be a priority under the new scheme, we are seeking to maximise opportunities to deliver biodiversity, water quality and flood risk benefits together.

Options within the Natural Environmental Land Management Schemes that are proposed, that could help farmers and land managers achieve these multi-objectives include ‘Making space for water’ measures for river restoration; Riparian management zone techniques and Run-off reduction measures. The Woodland Grants and Catchment Sensitive Farming elements have now also been integrated into NELMS, which will assist farmers and land managers in targeting measures like floodplain forestry, and flood risk and other water priorities. Natural England, Forestry Commission and the Environment Agency have just jointly completed a validation exercise to obtain local feedback on our proposed national targeting framework to inform this exercise.

The potential for such ‘synergistic’ solutions will vary according to local circumstances. Defra has also established 107 independently led local partnerships across all of England’s water catchments to identify local water pressures that might include flood risk, agree priorities and work with Environment Agency Defra’s other Arm’s Length Bodies to target the best solutions and elicit contributions from businesses and the voluntary sector, in order to meet local needs in the best way.

These catchment partnerships offer the potential to contribute further alongside current flood risk management schemes and to find synergies to these solutions. We are currently piloting schemes to deploy these measures to assess their effectiveness. In response to the Triennial Review recommendations around how the Environment Agency and Natural England can work more closely together, we are looking at how they can exploit more synergistic measures in a more integrated way within an ecosystem approach. The findings from this work will help us deploy a balanced range of approaches to tackling flood risk in the most effective way.
Environment Agency funding cuts

17. Frontline services in flood and coastal risk management must not be reduced. It is essential that funding cuts do not lead to unintended consequences where funding is redirected to one operational area to the detriment of another. (Paragraph 57)

Following the 2013 Spending Round, there was a Ministerial commitment to maintain Environment Agency's front line flood risk management and provide a £5m increase in funding for asset maintenance work in 2015/16. In addition, Ministers committed to maintaining the Agency’s capital programme with a six year capital settlement of £370m in 2015/16 and the same in real terms each year until 2020/21. A further £270m was announced in February and March 2014 to support the repair and maintenance of vital flood and coastal risk management assets in light of the winter floods.

The Environment Agency continues to maximise benefits for every pound of funding and is looking to achieve efficiencies across the organisation, through new ways of working, to reduce impacts on front line delivery whilst ensuring the organisation as a whole can deliver within available resources. The Environment Agency will ensure it has the right people, in the right places, with the right skills.

On the 1 April 2014 the Environment Agency moved from a three tier (national, regional and area) to a two tier (national and area) structure to achieve efficiencies while protecting the front line. Most of the valuable work that took place in regions (incident resilience, environmental planning) has moved to areas or to a national service. Simplifying structures in this way will help maximise investment in delivery and simplify organisational processes which will improve customer service.

18. In its response to this report, we ask Defra to reassure us that there will be no cuts to frontline flood and coastal risk management jobs at the Environment Agency. (Paragraph 58)

Conclusion

19. While we recognise the need to balance competing demands on a finite budget, the avoidance of flood events that devastate communities should, as far as is possible, take priority over cost-cutting. (Paragraph 63)

Like the rest of the Public Sector, the Environment Agency is playing its part in reducing the deficit and delivering savings. The Environment Agency will look to achieve further efficiencies across the organisation through new ways of working to reduce impacts on front line delivery. The Chief Executive of the Environment Agency, Paul Leinster, has been clear that the planned reduction in posts, necessary to ensure the Agency has an affordable organisational structure, will not affect its ability to respond to incidents including flooding.

The Environment Agency will prioritise the resilience needed to manage flood incidents and recovery. The additional £270m funding for the repair and maintenance of vital flood and coastal risk management assets will mean there is no reduction in the Environment Agency's flood and coastal risk management job numbers.