

North West Regional Flood and Coastal Committee

Minutes of the meeting held on Friday, 14 February 2025

Held virtually via MS Teams

Attendees:

Members

Adrian Lythgo, Chairman
Councillor Denise Rollo, Cumbria Strategic Flood Risk Partnership
Councillor Stephen Clarke, Lancashire Strategic Flood Risk Partnership
Councillor Alan Quinn, Greater Manchester Strategic Flood Risk Partnership
Councillor Phillip Cusack, Greater Manchester Strategic Flood Risk Partnership
Councillor Laura Boyle, Greater Manchester Strategic Flood Risk Partnership
Councillor Mhairi Doyle, Merseyside Strategic Flood Risk Partnership
Councillor Daniel Barrington, Merseyside Strategic Flood Risk Partnership
Councillor Laura Crane, Cheshire Mid Mersey Strategic Flood Risk Partnership
Kate Morley, EA Appointed Member – Conservation (part attendance)
Chris Findley, EA Appointed Member – Development and Sustainable Investment
Carolyn Otley, EA Appointed Member – Communities
Neville Elstone, EA Appointed Member – General Business and Assurance
Paul Barnes, EA Appointed Member – Agriculture and Land Management
Carl Green, Chair of the North West and North Wales Coastal Group

Environment Agency Officers

Ian Crewe, EA Area Director, Greater Manchester Merseyside and Cheshire (GMMC) (part attendance)
Carol Holt, EA Area Director, Cumbria and Lancashire Area (C&L)
Nick Pearson, Area Flood Risk Manager (Greater Manchester)
Mary-Rose Muncaster, Area Flood Risk Manager (Merseyside and Cheshire)
Richard Knight, Area Flood Risk Manager (Cumbria)
Marina Powell-Currie, FCRM PSO Team Leader (C&L)
Anthony Swarbrick, Area Operations Manager (C&L)
Omoniyi Green, Area Operations Manager (GMMC)
Sally Whiting, Senior FCRM Advisor
Adam Walsh, FCRM Programming Manager (C&L)
Andy Tester, FCRM Programming Manager (GMMC)
Rachel Harmer, RFCC Secretariat
Nikki Beale, FCRM Operations Local Delivery Lead (C&L)
Paul Bowden, FCRM Operations Local Delivery Lead (GMMC)
Ayush Sheth, FCRM Programming Advisor (GMMC)
Sarah Fontana, Local Authority Capital Projects Co-ordinator (GMMC)
Mia Mullender, Local Authority Capital Projects Advisor (C&L)
Robert Taylor, Local Authority Capital Projects Advisor (C&L)
Rachael Broadhurst, Local Authority Capital Projects Advisor (GMMC)
Gary Hilton, Local Authority Capital Projects Advisor (GMMC)
Debra Glover, Local Authority Capital Projects Advisor (GMMC)
Shannon Gunning, FCRM PSO Advisor (GMMC)
Elizabeth Griffin-Bennett, National FCRM Advisor

Geraint Laidlaw-Wilson, Programme and Contract Management
Crystal Orton, Unpave the Way Project Manager, FCRM (GMMC)
Fran Clarkson, FCRM Team Leader (GMMC)
Andy Collier, FCRM PSO Team Leader (C&L)
Stuart Mault, FCRM Programming Advisor (C&L)

Local Authority Observers (Councillors and Officers):

Councillor Giles Archibald, Cumbria Strategic Flood Risk Partnership
Councillor Mandie Shilton-Godwin, Manchest
Ali Harker, Cumbria Strategic Flood Risk Partnership
Andrew Harrison, Cumberland Council
Graeme Innes, Cumberland Council
Karl Melville, Cumberland Council
Nick Rae, Westmoreland and Furness Council
Rachel Crompton, Lancashire County Council
Clare Nolan-Barnes, Blackpool Council
Lorah Cheyne, Lancashire Strategic Flood Risk Partnership
Paul Wisse, Sefton Council
Sarah Wardle, Merseyside Strategic Flood Risk Partnership (Part attendance)
Laura Gilmore, Liverpool City Council
Louise Fortune, Knowsley Council
Francis Comyn, Rochdale Borough Council (Part attendance)
David Boyer, Warrington Borough Council
Jim Turton, Warrington Borough Council
Matt Winnard, Cheshire Mid Mersey Strategic Flood Risk Partnership
Jonathan Parry, Warrington Borough Council
Guy Metcalfe, Cheshire East Council
Katie Eckford, NW Shoreline Management Plan Co-ordinator / Coastal Group Secretariat

Other observers:

Ian Kell, Benson and Sanders Flood Action Group

25 (08) Welcome, Chairman's Introduction & Apologies for Absence

Adrian Lythgo opened the meeting and advised no declarations of interest had been received.

He conveyed apologies from: Councillor Jane Hugo (Lancashire Strategic Flood Risk Partnership); Amy Cooper (RFCC EA Appointed Member – Water and Sewerage Industry), Susannah Bleakley (RFCC EA Appointed Member – Coastal) and Jill Holden (Greater Manchester Strategic Flood Risk Partnership).

Representing the Lancashire Strategic Flood Risk Partnership, Members noted Clare Nolan-Barnes is in attendance as the correctly nominated substitute for Councillor Jane Hugo.

Adrian welcomed the new Greater Manchester RFCC Member Councillor Laura Boyle from Tameside, as well as Councillor Mandie Shilton-Godwin from Manchester, here to observe the meeting, along with Ian Kell from the Benson and Sanders Flood Action Group.

Adrian provided Members with an overview of the major flood investment announced by the Secretary of State recently, noting the significant £2.63 billion investment which covers two years – the year that we are currently in (2024/25) and next year (2025/26), covering both capital and revenue funding.

Members heard that this includes £1.1 billion of capital funding for 2025/26 provided to the EA of which £657 million is available to RFCCs across the country. The North West RFCC's capital allocation is £93.8 million, which is the second largest of all the RFCCs nationally.

Adrian reminded Members that within the £93.8 million available to the NW RFCC, there are two EA areas (Greater Manchester, Merseyside and Cheshire, and Cumbria and Lancashire) with distinct allocations and so in substance today we are making two decisions. Members noted that C&L Area has the largest capital programme for next year that they have ever had, but this is not the case for GMMC Area. Adding to this complex picture is the EA resource maintenance allocation, where the C&L allocation is still less than they are currently forecasting to spend.

Adrian explained that the North West RFCC is still in the position where there is not enough funding to cover all of the schemes it would like to see funded next year. Adrian advised that Members need to discuss and find the best way through the next twelve months.

Adrian went on to provide an overview of how we have found ourselves in this position and advised:

- The new Government needed to carry out a Comprehensive Spending Review and as a result the capital programme is finishing a year earlier than planned, so 2025/26 is the last year of the current investment programme.
- There have been severe adverse weather conditions with damage to existing assets, so the Government has transferred money set aside for new schemes to repairing existing schemes and assets. This has been done following recommendation from the National Audit Office (NAO) and others.
- We have always carried an amount of overprogramming to make sure that we don't underspend, but moving into the final year of the programme, we need to more closely manage to budget.
- Due to high inflation in construction costs, additional funding is being required for schemes that are already in the programme which need to continue.
- Due to the COVID pandemic and other factors, the programme has become very back-end loaded with major schemes currently in delivery so the demand for funding significantly exceeds the funding available.

Members also noted the level of uncertainty associated with work beyond 2026/27 due to the Government announcing a consultation on the way that funding rules should apply for flood schemes going forwards. The publication of NAFRA2 provided updated flood risk data will be used more strongly to connect future investment with flood risk.

Adrian remarked that the need for the Committee to make decisions around Local Choices, has never been as high profile or important. He thanked Members in advance for their engagement in this process and noted there is also a discussion today regarding possible Local Levy investment to keep the programme of work going. He reinforced that the RFCC are only in this position due to the foresight of the constituent councils in the North West and their RFCC representatives who have continued to raise the Local Levy over a number of years when local government has been facing very tough financial circumstances.

Adrian advised the papers for today present the information in much more detail. He highlighted three things that he would like to achieve:

- To provide clarity and transparency on how the allocation principles discussed at the last meeting have been applied and trying to optimise the schemes we can 'buy' with the funding we have available.
- To seek Members' comments on and potential endorsement of a North West Local Choices position that can go forward to the EA Board for both capital and revenue funding.
- To seek in-principle agreement to the deployment of Local Levy to keep delivery moving forwards across a larger number of schemes than would otherwise be affordable, which will put the North West in the best possible position for the first year of a new programme under the Comprehensive Spending Review. Adrian advised that we are looking to get agreement to one of two Local Levy funding scenarios, but with the detailed list of projects subject to more detailed consideration, which currently has not been possible in the time available.

Councillor Alan Quinn echoed Adrian's comments on how valuable Local Levy funding is and the importance of keeping the Local Levy fund topped up, which can enable funding of schemes to deliver millions of pounds of benefits to communities.

There were no further comments or questions.

25 (09) Minutes of the RFCC Meeting held on 24 January and actions and matters arising

Members noted there were two matters arising from the meeting on 24 January, both of which are in progress.

Councillor Mhairi Doyle proposed and Neville Elstone seconded the minutes of the 24 January meeting. The minutes of 24 January 2025 RFCC meeting were approved by the Committee.

There were no further matters arising, comments or questions.

25 (10) Indicative GiA funding for 2025/26 and Local Choices

Adam Walsh introduced himself to Members and provided a recap of the national funding allocation prioritisation approach for 2025/26, previously discussed at the January meeting and contained within today's meeting papers.

He advised of the significance of Point 2 (In construction by 1 April 2025 and delivering properties better protected by 31 March 2026), which has been fundamental to some of the changes seen between September 2024 and the current indicative allocations. This reflects the change from a 6- to a 5-year programme now ending in March 2026.

There have been a number of changes to funding in recent months, including £72 million which, with Ministerial direction, has been diverted from the capital investment programme to support the maintenance of existing EA assets. Nationally, the 2025/26 programme was over-subscribed by around £45 million. A further £36 million has been prioritised for recovery works following the floods over winter 2024/25. Overall, there is around £150 million less funding than planned to allocate to the capital investment programme in 2025/26.

In terms of Local Choices, Members were reminded of the principles to be followed – that this relates to core FCRMGiA only, that any funding re-allocation changes must be within the programme level budget allocation for each EA Area, and must deliver the same or more properties better protected by March 2026 when compared to the indicative allocations.

Adam highlighted the North West RFCC has received the second highest GiA settlement across all the 12 RFCCs. The North West total project expenditure (TPE) bid in July 2024 was £182.4 million, for both EA and other RMA (Risk Management Authority) projects, which was based on investment need forecasts at that time.

The February indicative allocation Total Project Expenditure (TPE) is £110.6 million, so a significant shortfall of £71.8 million in identified need versus allocation, but this is still significant investment in the North West. Of the £110.6 million indicative allocation, £103.3 million is GiA for capital maintenance of assets, new schemes, and property level resilience measures. The difference is the element of funding provided for asset reconditioning, for which we have been provided additional funding, and other support programmes.

The £103.3 million is split into £57.9 million of Core GiA and £45.4 million in additional GiA – including Other Government Department (OGD) funding, Asset Replacement Allowance (ARR) and Frequently Flooded Allowance (FFA). This funding acts as partnership funding to support the viability of projects. Members noted there are seven North West projects that have received this additional GiA funding and the detail of this is provided in Appendix A of the paper. Adam reiterated that in terms of Local Choices available to the RFCC, this relates only to the £57.9 million core GiA element. The additional GiA of £45.4 Million is attached to seven projects and this funding is protected.

Adam provided an overview of how the Cumbria and Lancashire and Greater Manchester, Merseyside and Cheshire Areas have each addressed their Local Choices, reiterating that each EA Area gets its own GiA allocation and funding cannot be moved from one Area programme to another. Therefore Local Choices decisions are confined within each Area programme and need to address the challenges each Area faces.

Cumbria and Lancashire (C&L) Area

C&L Area have a large programme that is predominantly in contract and in construction. £113 million GiA was bid for and £72 million has been allocated. This is the largest ever single year total GiA allocation, however there is still a £42 million shortfall against the July 2024 bid. At

the start of the Local Choices consideration process an £18 million deficit was identified against just the in-contract commitments so difficult decisions have had to be made.

Following the Local Choices guidelines, of the £72 Million GiA allocated, only the Core GiA at £42 Million can be considered for Local Choices. The remaining £30 Million is additional GiA and is allocated to specific projects and cannot form part of the Local Choices.

Adam advised there are funding commitments to 61 projects in C&L (some of these projects receiving part funding), with 28 of these projects not receiving any GiA allocation initially. and To develop a proposal for Local Choices, the prioritisation criteria have been applied to inform the decisions, and consequently these 28 projects could each receive an allocation ranging in value from £20,000 up to £2.49 million.

In order to do this, the latest January 2025 forecasts have been considered and where the forecasts are below the indicative allocations, showing a reduced need in 2025/26, the allocations for 2025/26 have been reduced and funding redistributed across other projects in the programme.

We have also been able to re-profile GiA funding on some of the higher spending projects from 2025/26 into future years. This includes Preston (£4 million reprofiled out of 2025/26), Kendal (£1 million re-profiled) and the Lower Screens Programme (£1 million re-profiled). This funding has been redistributed to other projects, the majority of which received no allocation in the indicative allocation from National.

Adam reported that a decision has been made to stop the EA-led Hambleton and Billington schemes at the next key project milestone date and neither of these will move into construction in 2025/26 as previously forecast. Adam advised that ideally we would have continued with these two projects but as they were unsuccessful in securing additional funding from the Affordability Allowance or Frequently Flooded Allowance, both schemes now have significant funding gaps and are currently not viable at this stage. However, through Local Choices we have ensured funding is in place to complete the current phase and get them ready for 2026/27 without the need to break any contractual commitments.

Adam reported that the Core GiA funding for C&L is fairly evenly distributed between EA (£24 Million – 57%) and other Risk Management Authorities (oRMAs) (£18 Million – 42%). Redistribution of funding between RMAs has been required to ensure the delivery of properties better protected in 2025/26.

He confirmed that all the support programme funding is protected (M&F, H&T & REC). Through this £210K has been allocated to environmental projects but this was unevenly distributed across Cumbria and Lancashire so it is proposed to allocate this slightly more evenly across Cumbria and Lancashire.

Adam reported that initially £89 million in contractual commitments were identified, so there was an £18 million deficit, but this included the next phases of some projects such as Hambleton moving into construction. The contractual commitment is now less than initially identified but is still significant and has been managed by a significant re-profiling of spend.

Adam advised this report is a summary of many meetings and conversations between EA and Local Authority colleagues and with the choices that have been made there has been no need to end any contracts before completion, which in itself can be more costly.

Adam advised that normally we would build in some over-programming but the national guidance around over-programming is that we need to be able to manage back to budget in 2025/26, so at this stage an over-programme has not been applied. If in-year, the opportunity for an over-programme presents itself, Adam advised that projects will be prioritised to those that have re-profiled their spend into future years to support our Local Choices.

Greater Manchester Merseyside and Cheshire (GMMC) Area

Adam reported that the GMMC GiA bid was for £53 million with a February indicative allocation of £36 million. The core GiA available for Local Choices is only £8.3 million with £6.5 million of that attributed to the Lower Risk Debris Screens Project. Therefore the scope for Local Choices is very limited and challenging decisions are needed to enable delivery of key schemes.

In July 2024, GMMC bid for 43 projects and have been able to allocate GiA funding to 21 projects based on the Local Choices prioritisation methodology. The latest January forecast has been reviewed and as far as possible has been matched or reduced in line with the forecast to enable redistribution of funding. For the Lower Risk Debris Screens Project, a reduced 2025/26 forecast enabled £2 Million to be re-profiled and re-distributed to other projects. Similarly £700k is to be re-profiled on the Salford Flood Alleviation Improvements projects and £250K re-profiled on the Shaw Cringle Lane Willow Brook Scheme. Adam advised by taking this action we have been able to mitigate the risks of getting out of construction contracts and keep projects progressing, albeit at a slower pace.

Adrian Lythgo summarised that both Areas have had to slow down some schemes in order to distribute money to a wider list of schemes, so we have more projects going forwards, but some projects are having to slow down in order to do that.

Adam confirmed that this is correct and that a real focus has been to try to not break any contractual commitments, which can be more costly than continuing to deliver a project.

Adam provided an overview of the top 10 projects with the largest indicative core GiA allocations, reinforcing the limited opportunity for Local Choices but again reporting that the opportunity for re-profiling has been identified where possible to enable re-distribution to other projects. He specifically highlighted the Capital Reconditioning Programmes and reported that the GMMC programme had been provided with an increased indication allocation compared with the July 2024 bid.

He then provided an overview of the top 10 projects in terms of properties better protected of those projects which were given an indicative allocation in 2025/26. Members noted the significant number of properties attached to projects that we continue to deliver, but also properties that were due to be better protected from projects where delivery timescales are more uncertain at this stage, such as Hambleton – now moved out of the programme.

There is significant uncertainty applying to main aspects of the programme currently including not having any investment settlement beyond 2025/26, and new partnership funding arrangements being developed in advance of the next programme. A lot needs to become clearer before some of that uncertainty can be removed. The Committee recognised the detail provided is just a snapshot of properties based on the indicative GiA allocation. It is just a reflection of the large numbers of properties at risk in the North West with a lot more work to do in managing flood and coastal erosion risk.

Councillor Giles Archibald asked if the information provided on the number of properties is based on the new projections or the old projections. Adam confirmed this is based on the latest forecast.

Members were presented with a slide showing properties which could be better protected for 2025/26, taken from the July 2024 bid, the indicative allocation, and the proposed Local Choices programme, for each of the five sub regional partnerships. Adam reported that the increase in properties to be better protected in Greater Manchester between the indicative allocation and the Local Choices programme relates to the Radcliffe and Redvales Scheme, which is now due to finish next year and will claim its better protected properties in 2025/26.

Adam then provided an overview of the key proposed Local Choices on project GiA allocations contained in section 4 of the paper, factoring in the prioritization criteria and contractual commitments. This captures where allocations can be re-profiled and the priority projects to which the freed up allocation can be re-allocated.

Following significant work to develop the Local Choices proposal, the total number of projects proposed for allocation of GiA funding in 2025/26 is 82. 35 of these projects received no indicative GiA allocation initially but can now be allocated some GiA funding through the proposed Local Choices changes.

It is recognised that there are projects being delivered by the EA and other RMAs that bid for and did not receive any GiA allocation, or did not receive all of the allocation bid for. This includes Millom in Cumbria, Hambleton and Blackpool schemes in Lancashire and in GMMC Sankey Brook, The Pool, Sefton and others. Members were advised work is ongoing with colleagues to see how we can support these schemes moving forward.

Adam concluded by relaying, on behalf of the EA leadership teams locally and nationally, a massive thank you to LA colleagues, EA teams and delivery partners involved in this Local Choices process for their support, understanding and professionalism. He reported there have been hundreds of hours of meetings, phone calls, e-mail communications etc, to get to this stage of the process, all in the last five weeks. There have been some difficult decisions to be considered and he thanked everyone for their support.

Adrian asked Members if there are any comments or points of clarification from Members, reflecting the amount of detail just presented to them. As a headline he summarised that the Committee is being asked to support stretching schemes into future years to allow more schemes to progress in the short term. He noted there are some related Local Levy decisions which will also allow that to happen on a broader basis. These are difficult decisions but will be used to try and get the optimum of balance of investment.

Councillor Alan Quinn commented that he had understood that the Radcliffe and Redvales Scheme had been completed, with the exception of the floodgates on Hardy's Gate Bridge and he queried the outstanding cost of £2.6 Million. Nick Pearson advised that Hardy's Gate Bridge is the outstanding element that will be completed in 2025/26 and the bulk of the cost is the cost of the gates, which are more expensive than originally thought. Paul Bowden added that the gates are both large and complex, but the cost is broadly in line with expectations.

There were no further questions or comments.

Adrian Lythgo then moved the meeting on to focus on the (EA) asset maintenance allocation for 2025/26.

Paul Bowden presented on the GMMC allocation with an indicative allocation of £6.3 million, made up of three components: scheduled maintenance; asset management, and asset decommissioning. He advised in total the 2025/26 allocation is approximately £600K higher than the 2024/25 allocation, but there will still be a need to cut back on delivery during 2025/26 to keep within budget. There has been an allocation of additional funding for GMMC which puts us in a much better position, however they are still unable to deliver everything they had intended to and some Local Choices will still need to be made.

Members noted within the allocation, there are a number of unavoidable commitments including legal obligations, such as contractual payments to Natural Resources Wales, and energy payments which are all outside of the scope of any Local Choices changes that can actually be made.

For Cumbria and Lancashire Area, Nikki Beale advised that the Area has an indicative allocation of £7.95 Million, which is more than was allocated for 2024/25, but still £300K less than the current forecast spend for 2025/26. Nikki reported that the Area have particular challenges around flood basin compensation payments and electricity costs, which although they have been funded this financial year, it does mean the level of maintenance C&L can deliver in future is reduced.

Members were provided with an overview of the spread of the funding allocation across maintenance activities, showing the extent to which the indicated need had been funded. The increase in energy costs from £400K five years ago to almost £2 Million now was highlighted with Nikki reporting that C&L have two of the biggest pumping stations in the country - Altmouth and Crossens. In GMMC Area, she also recognised Bedford Pumping Station. Members notes these pumping stations are second in energy use to the Thames Tidal Barrage.

The costs for operational and incident response activities have also increased due to needing to ensure assets can operate when they are required to do so and to sufficiently fund EA Operational Teams on incident response capabilities.

Members received an overview of the high, medium and low consequence asset systems and noted only 25% of the total allocation has been directed to the low and medium consequence systems. Nikki highlighted 75% of time and funding is spent on the higher priority risks and advised even though framework and internal costs are increasing, officers are continuing to deliver the best value for money and trying to stretch the budget as far as it will go.

Nikki highlighted conveyance work, which consists of walk-throughs to clear river blockages in channels in order for water to flow freely. Members heard only £1 million of funding has been provided for C&L conveyance work in 2025/26. In 2024/25, £1.7 Million was allocated for this work. There is £2 million of unfunded conveyance work in Cumbria and Lancashire in 2025/26. Nikki advised that ultimately land owners this year are going to find themselves in a position where they need to do more of their own channel maintenance.

GMMC Area are also in a similar position with only 20% of funded work in lower and medium risk systems and 80% in high risk systems. The new framework which came on line in March 2024 is now up and running and is actually more efficient and cheaper than the previous framework.

Paul Bowden reported that GMMC Area organise their maintenance programme slightly different to C&L and Members were provided with a slide to indicate the geographical spread of allocation across GMMC area. Members were advised that compared to 2024/25 the largest increases in allocation are in the operation of assets, public safety and conveyance work. Unlike C&L Area, GMMC Area has had an increase in conveyance allocation, but within these allocations GMMC will still need to make Local Choices as the mechanical and electrical allocation is lower than 2024/25 and there has also been a reduction in the maintaining defences budget.

The Local Choices process for operational budgets is due next week and the Local Choices process will be completed close to the end of March and when finalised the programme of works will be published on the gov.uk website, following RFCC consent.

Paul Barnes enquired about the increase in energy costs for the Alt Crossens Pumping Station and asked what time period the reported increase covered. Nikki clarified that the £400K and £2 million cost figures quoted were for the whole of C&L Area and not just Alt Crossens Pumping Station and that this increase had been over five years. She also reported that there is a national electricity contract that the EA are tied into. The increase in costs are partly due to the unit costs increasing but also because assets are being operated more regularly and therefore using more electricity.

Indicating that he would defer the vote on the proposed Local Choices on the capital GiA allocation until after Members had been presented with proposals for Local Levy support, Adrian asked Members to consider and approve the indicative asset maintenance allocation.

Votes in favour: Councillor Rollo, Councillor Doyle, Councillor Barrington, Councillor Clarke, Councillor Crane, Councillor Quinn, Councillor Boyle, Councillor Cusack, Neville Elstone, Carolyn Otley, Kate Morley and Chris Findley.

There were no votes made against this.

There were no further questions or comments.

Local Levy Programme

Andy Tester presented on the Local Levy element of the Local Choices proposals. He began by remarking again that due to the funding challenges for the 2025/26 capital programme, Local Levy can play an even greater role in supporting schemes that received no or minimal FCRMGiA allocation.

Andy provided an overview of the Local Levy position, reflecting the tight five-week turnaround from receiving the indicative allocation to working through the details and presenting the information today.

Members noted the two Local Levy requests presented in January - Ryles Pool, Macclesfield and Liverpool Road, Warrington, which were deferred for decision today. Andy advised that there are a further four Local Levy asks, the details of which have been included in the papers for today's meeting, and an additional four Local Levy asks which are included in the scenario but for which there has not been time to provide written briefs for consideration today.

Andy reported that, since it was presented for Local Levy support in January, the Ryles Pool project (Cheshire East) has now been withdrawn as a Levy request, due to challenges encountered in the Phase 2 works which will make the project more costly and require a relook at the project. Andy passed on Cheshire East's thanks to Members for their consideration and initial support of this funding request.

Members recalled the Warrington Borough Council presentation on the Liverpool Road, Warrington Scheme, where a 100% Local Levy funding request of £499k was made. Andy provided a brief recap of the detail of the project advising the scheme is eligible for 100% FCRMGiA funding but due to the in-year funding pressures, the scheme has not received an allocation.

Andy provided a brief overview of the four schemes with Local Levy funding requests contained in the meeting papers: Hindley Group, Sankey Brook, Poise Brook, and Thurnham Property Flood Resilience. Members were advised that for the ten schemes requesting Local Levy, including the no longer required ask for Ryles Pool, the overall funding requirement is just over £3.5 million. He advised work has been done to analyse the overall Local Levy programme and it has been possible to re-profile Levy investment in schemes to make space for some additional support.

Members were referred to the prioritisation methodology discussed at the previous meeting. Andy then introduced Local Levy programme Scenario 1 for their consideration. Andy advised Scenario 1 captures ten priority schemes where Local Levy funding could allow the projects to continue, having received no or minimal FCRMGiA allocation. Andy explained that with this Local Levy support, the future Local Levy programme scenario sees a reduced balance in 2025/26 but still remains at a relatively healthy level, with a further slight impact in 2026/27, which then reduces the balance to circa £2 million.

Andy explained that Scenario 2 includes the same 10 schemes, but also includes a 1-year increase (for 2025/26) to the Partnership Quick Wins funding allocations from £100k to £250k per partnership, to acknowledge the exceptional circumstances we've all been presented with in terms of funding challenges for next year. This would give the partnerships more opportunities in terms of taking local decisions in progressing some Local Authority-led schemes and also to help support studies or investigations locally. Under this scenario, the

drop in Local Levy balance is still within a tolerable level, by 2026/27 dropping just below £2 million.

Andy summarised the proposal for the Committee to consider and approve the Local Levy funding requests that were presented previously in January, and to also consider and approve in-principle either Local Levy Scenario 1 or 2, subject to providing further details and consideration of the included schemes.

Clare Nolan-Barnes thanked Andy for his presentation and referred back to the Local Choices proposals indicating that she was unclear what the proposed Local Levy support in 2026/27 for the Blackpool schemes means in terms of the longer term future for the schemes. Blackpool has some huge, fully approved schemes. She was unsure what keeping the schemes going with Local Levy for the next year means, whether the schemes are being paused or stopped. She asked for clarity and whether there could be any reassurances given for the ongoing provision of funding for these in 2026/27 and beyond.

Adam Walsh advised support will be needed from National EA colleagues in order to answer Clare's question and a call to talk around the specific details of this will be required in order to get some clarity.

Adrian supported this discussion to be taken forward outside of the meeting and understood the need for Clare to raise her concerns. He also referred Members back to first principles reminding them that while approval for (multi- year) projects is given, the formal allocation of GiA funding has always been given on an annual basis and this is likely to be the same going forward.

Councillor Doyle commented that given the reduction in FCRMGiA and the proposed increase to the RFCC's Quick Wins funding to £250K for 2025/26, the Merseyside Partnership has been reviewing the guidance for Local Levy Quick Wins funding. Adrian advised a review of the guidance for Quick Wins funding is due and the proposed increase to £250K is only for this one year, which recognises the pressure on Local Authority teams.

Sally Whiting was invited to comment and advised that following feedback from the Strategic Partnerships on the amount of Quick Win funding available, she is working with Sarah Fontana to initiate a review of the Quick Wins funding. After the financial year end, this will look at how the fund has been used over the last several years, what benefits it has delivered, what the right amount of funding is, and whether the guidance remains fit for purpose. It is envisaged that there will be more flexible guidelines provided for the use of this funding in 2025/26 given the exceptional circumstances.

Adrian Lythgo summarised that with some re-profiling of the allocated FCRMGiA on projects and similarly on Local Levy funding, as part of Local Choices we are looking at the extent to which it is possible to further support projects to keep them going over this challenging period. Within that, there is the further choice as to whether, in principle, Members would like to approve either of the scenarios; scenario 1 or scenario 2.

Adrian asked Members to indicate if they wished to 'endorse' the Local Choices allocation, noting the change in language, as the Committee would normally be asked to 'agree' and recognising that probably none of the Committee would wish to be in this position. But he

expressed his hope that the proposed approach gives a way forward to provide clarity and to keep as many schemes running as possible within the constraints that we have.

Votes in favour: Councillor Rollo, Councillor Doyle, Councillor Barrington, Councillor Quinn, Councillor Cusack, Councillor Crane, Neville Elstone, Carolyn Otley, Kate Morley, Clare Nolan-Barnes and Chris Findley.

Adrian asked anyone who does not wish to endorse the allocation to indicate this. Councillor Clarke indicated that he does not endorse the allocation.

In the meeting chat function Clare Nolan-Barnes on behalf of Blackpool Council and the Lancashire Strategic Partnership clarified that while they would endorse the Local Choices allocations that they did not agree with it.

Adrian Lythgo moved the Committee to vote on the two proposed Local Levy Scenarios and advised an additional RFCC Finance and Business Assurance Sub Group Meeting will be arranged to allow Members to go through the individual proposals in turn, with the exception of the Liverpool Road, Warrington Scheme. This has already been presented and considered previously and although there was not a formal recommendation for the scheme, there was broad support.

Members were asked to raise their hands to confirm they approved £499k of Local Levy funding for the Liverpool Road, Warrington Scheme.

Votes in favour: Councillor Rollo, Councillor Doyle, Councillor Barrington, Councillor Clarke, Councillor Quinn, Councillor Boyle, Councillor Cusack, Councillor Crane, Neville Elstone, Carolyn Otley, Kate Morley and Chris Findley.

Members were then asked to vote on the two Local Levy Scenarios. Adrian asked if there is anyone who does not support Local Levy Scenario 2 and there were none. Members were then asked to raise their hands to confirm they supported Local Levy Scenario 2.

Votes in favour: Councillor Rollo, Councillor Doyle, Councillor Barrington, Councillor Clarke, Councillor Quinn, Councillor Boyle, Councillor Cusack, Councillor Crane, Neville Elstone, Carolyn Otley, Kate Morley and Chris Findley.

Local Levy Scenario 2 was supported.

Adrian thanked Members for their support, advising that by supporting Scenario 2 the Committee are deploying as much Local Levy as we can. To deploy more would be difficult given all the difficulties rehearsed earlier in the meeting.

He then suggested an additional RFCC Finance and Business Assurance Sub Group meeting takes place on 7th March so that Members can consider the eight additional Local Levy funding requests, which can then be brought back to the additional RFCC meeting on 14th March.

The eight Local Levy funding requests that will be considered are: Hindley Group; Sankey Brook; Poise Brook; Thurnham Property Flood Resilience; River Roch, Phase 2 Rochdale; Blackpool Beach Nourishment; Bispham, and Millom

There were no further questions or comments.

25 (11) Any Other Business

Paul Barnes raised a comment regarding the opportunity to input into meeting agenda items and Adrian advised that every Member of the Committee can suggest an item for an agenda as long as it is received far enough in advance of the meeting.

Paul advised of a series of upcoming meetings involving farmers in the North West about flooding in Cumbria which present a real opportunity to influence things. This includes a visit from Tamara Finkelstein, Defra Permanent Secretary, next week and then two face-to-face meetings with Crown Estates. He advised if any RFCC Member has anything they wish to be put to them then to let Paul know. Adrian thanked Paul for this offer.

Adrian again reminded Members that there will hopefully be an extra RFCC Finance and Business Assurance Sub Group meeting on 7th March in addition to the extra 14th March RFCC meeting to consent the programme. Adrian also indicated that he is aware there is the possibility there will be a small amount of additional funding, which might be released nationally, and when we know what this looks like the detail will be provided. If this money does become available it may not be much, but we can look at this in due course at our routine meeting in April 2025.

Richard Knight acknowledged the comment raised by Carol Holt in the meeting chat, which asked if Members can note her thanks for the team who have done an exceptional job in difficult circumstances in bringing together the information for this meeting. Adrian added his own thanks to all involved, recognising that Adam Walsh and Andy Tester have been at the forefront of this, working with EA and Local Authority teams who have worked tirelessly in the background to get us to this position.

Adrian thanked Members and support officers for their attendance and contributions to the meeting.

The next RFCC meeting will be held via MS Teams on Friday 14 March 2025.