

**Andrew Davies AM/AC**  
Y Gweinidog dros Gyllid a Chyflenwi Gwasanaethau  
Cyhoeddus  
Minister for Finance and Public Service Delivery



Llywodraeth Cynulliad Cymru  
Welsh Assembly Government

Darren Millar AM

Eich cyf / Your ref: yourref  
Ein cyf / Our ref: ourref

National Assembly for Wales  
Cardiff Bay  
CF99 1NA

18<sup>th</sup> December 2007

At the draft budget debate on the 11<sup>th</sup> December 2007 you asked about flood defences. I promised to write to you on this subject.

The current proposals will have no adverse effect on existing programmes of flood prevention works in Wales. A bid for additional capital funding from the Convergence Programme is being prepared. If successful this could increase capital expenditure over the next 6 years by up to 30% and assist in accelerating some of our current proposals.

The Welsh Assembly Government is committed to addressing both current and future flood and coastal risk in Wales. Over the last few years the Welsh Assembly Government has significantly increased its allocations in support on the management of flood and coastal risk in Wales. Since 1999 WAG budgets have more than doubled. This trend is continuing with the budget for 2007/08 being increased from around £33m to £35.75m for 2008/09 and beyond.

In the summer the Minister for Environment, Sustainability and Housing announced the launch of a three year programme of work aimed at changing the way we manage flood and coastal risk in Wales. This programme will include an initiative to assess future funding needs and to consider how best to satisfy those needs.

**To:** 1. Andrew Jeffreys [Ref]  
2. Minister for Finance and Public Service Delivery CC: PS Minister for DESH

**From:** Victoria Minshall Peter Jones  
Georgina Haaroff  
Piers Bisson

Ext 3421

**Date:** 20<sup>th</sup> December 2007

**REPONSE TO DARREN MILLAR ON FLOOD DEFENCES FOLLOWING QUESTIONS IN DRAFT BUDGET PLENARY ON 11<sup>TH</sup> DECEMBER**

1. In the draft budget debate you promised to write to all AMs who made specific points. Darren Millar raised the issue of funding for flood defences (see Annex A for a transcript of his contribution to the debate).
2. The draft response makes clear that:
  - current proposals will not affect existing flood defences, and there are plans to make use of convergence funds to build on current proposals;
  - budgets for flood management have increased; and
  - there is a three year programme of work underway on managing flood defences in Wales now, and to assess how we can manage them effectively in the future.

**Transcript from budget debate, 11<sup>th</sup> December 2007**

**Darren Millar:** I will draw attention for a few moments to the proposed cuts in capital spending for flood defences in the budget. Given the rhetoric that we hear from the Labour-Plaid Cymru Government on climate change, I am astonished by the cuts to funding for flood defences that the budget proposes. Soundbites alone are not enough. The Environment Agency estimates that 170,000 homes in Wales are at risk from flooding, representing around 500,000 people who live and work on flood plains, with around £8 billion-worth of assets at risk, including crucial infrastructure such as power stations, schools and hospitals. This issue must now be a top priority, or we will risk facing even higher costs and losses in future. The current estimate of the annual economic damage to Wales through flooding is around £70 million. As recently as last week, Wales was battered by storms, which are becoming increasingly frequent, and yet again we saw localised flooding in communities throughout the country. Yet, it appears as though little has been learnt so far as a result of these floods and the summer floods this year that affected every region of Wales. Scientists and our own experience tell us that these sorts of events look set to become more frequent, including more heavy downpours, higher sea levels and more coastal erosion. The Association of British Insurers has been telling you that you are not spending enough as a Government on flood defences. Some people are now being refused home insurance by some companies. The Environment Agency has warned your Government that more homes and businesses will be affected by flooding in the future unless action is taken now to install new flood defences and to improve existing ones.

What is your Government's reaction to these calls? It is to make real-term funding cuts over the next three years in flood defence schemes. It is appalling. When will you put your money where your mouth is? When are we going to see proper investment in our inland and coastal flood defences to bring them up to standard so that they can cope with the wetter climate and rising sea levels that we are experiencing? How many more homes, businesses, schools and other important infrastructure need to be flooded before your lethargy turns into action? The proposed £21 million that is available for capital spend on flood defences this year is not sufficient to even fund the current estimated cost of the work carried out by the Environment Agency on flood defences in my constituency, let alone in the whole of the Wales.

I appreciate that you have this comfort blanket—the central capital fund, which every Cabinet Minister wants to dip into—but if you are really serious about preparing Wales to meet the massive challenge that climate change presents, we need to plan for major investment in flood defences today. This mañana approach that you and your Plaid partners are taking is not enough, and your credibility is literally floating away. We need action now to protect homes and businesses, and I urge those Members who have experienced flooding in their constituencies to reject the proposals in this budget today.

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