Response

1. What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Our records show that we spent approximately £40k on the preliminary flood risk assessments. This compares with the £60K allowed for in the Financial Memorandum.

2. What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

This work was initially undertaken from resources within existing staffing structures and, consequently, no separate figures are held by ACC. Subsequently, dedicated resources have been put in place and costs are identifiable.

3. What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

No separate figures held by ACC. See 2. above.

4. What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Our records show an expenditure of £1.1M this compares with the £1.14M (revised lower range cost) estimated by the Government.
5. What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The estimated cost for the six year cycle post 2015 is unlikely to be less than £240k/annum for the reasons described below.

6. Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?

The Aberdeen City figures above include the cost of engaging in the ICS study work with Scottish Water. The complex nature of the Aberdeen catchment, its multiple flooding mechanisms and high level of identified damages will require significant further study work and amendment to flood risk maps and flood risk management plans. Developing SWMPs for Aberdeen will require significant resources. The flood hazard and risk maps and the ICS work has started the process of understanding the complex nature of the catchment, but considerable further effort is required to complete the task. This detailed study work will continue over the next 6 year cycle.
Response

Since the introduction of the Flood Risk Management Act, Aberdeenshire Council’s Flood Prevention Team has employed two additional engineering staff.

The team now consists 8 staff (including the Principal Engineer) managed by a Service Manager. FRM work is not allocated to dedicated staff, and is shared across the team. As such, time recording on FRM activities is not entirely accurate and salary records do not reflect the true picture of what the actual costs have been.

1. **What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

   Aberdeenshire Council contributed to the flood risk assessments, providing SEPA with assistance regarding information on flood risk in Aberdeenshire. The total staff cost of this was recorded as £115,000.

2. **What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

   We have no robust costs for this.

3. **What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

   Estimated costs for this financial year to December 2015 is £150,000.

4. **What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**
Aberdeenshire Council have no accurate financial data regarding total costs of implementing the Directive for the first planning cycle. However, the estimated cost over 4 years is £650,000+.

5. **What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

Not known at present.

6. **Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?**
Finance Committee
Post-Legislative Scrutiny of the Financial Memorandum Accompanying the Flood Risk Management (Scotland) Bill
Submission from Angus Council

Response

Our response includes a narrative response to each of the six questions. Financial information to aid the committee’s consideration on cost comparisons between those estimated in the FM and those incurred, projected or forecast are provided to questions 1 to 5 only.

1. **What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

SEPA led the production of these preliminary assessments, now known as the 'National Flood Risk Assessment'. Angus Council assisted in this through the provision of data and information, participation on and establishment of working groups and partnerships, and general support. The cost estimates for implementing the Directive set out in the FM were not broken down into the phases or actions requested here. Guidance was issued by Scottish Government only on a total estimated annual average cost for implementation of the Directive of £240k. Angus Council were subsequently allocated £188k for the implementation of the Directive, as transposed to the Flood Risk Management (Scotland) Act 2009. It is therefore not possible to compare the costs incurred over each period directly to the total costs for our organisation of producing the preliminary flood risk assessments by December 2011. However, it is considered that the costs incurred for the period to December 2011 would have predominantly been related to the production of the preliminary flood risk assessments, and may therefore be considered to be representative. These figures from 1 April 2011 to 31 December 2011 are therefore submitted in response to question 1. The costs have been split into the three main elements of new duties from the Act. These include costs only as it is not considered that there have been any saving relating to this element of the Directive and Act. It is considered that the costs in addition to those allocated have been borne by the council to date given the high priority placed on flood risk management in Angus. Future continuity of such an additional investment by Angus Council will need to be prioritised against other competing needs and will be dependent on future settlements from Scottish Government. See Table 1
2. **What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

SEPA led the production of these flood hazard and risk maps, which are subject to updates. Angus Council assisted in this through the provision of data and information, participation on and establishment of working groups and partnerships, and general support, which continues as the maps are updated with new and revised data and knowledge. The cost estimates for implementing the Directive set out in the FM were not broken down into the phases or actions requested. Guidance was issued by Scottish Government only on a total estimated annual average cost for implementation of the Directive of £240k. Angus Council were subsequently allocated £188k for the implementation of the Directive, as transposed to the Flood Risk Management (Scotland) Act 2009. It is therefore not possible to compare the costs incurred over each period directly to the total costs for your organisation of producing the flood hazard and risk maps by December 2013. However, it is considered that the costs incurred for the period following December 2011 (for the preparation of the preliminary flood risk assessments) to December 2013 (when the flood hazard and risk maps were substantially complete) would have predominantly been related to the production of these maps, and may therefore be considered to be representative. These figures from 1 January 2012 to 31 December 2013 are therefore submitted in response to question 2. These include costs only as it is not considered that there has been any saving relating to this element of the Directive and Act. It is considered that the costs in addition to those allocated have been borne by the council to date given the high priority placed on flood risk management in Angus. Future continuity of such an additional investment by Angus Council will need to be prioritised against other competing needs and will be dependent on future settlements from Scottish Government. See Table 2

3. **What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

The flood risk management plans by December 2015, are now known as the 'Local Flood Risk Management Strategies'. There is a further requirement in the Flood Risk Management (Scotland) Act 2009 for the production of Local Flood Risk Management Plans. The Strategies are produced by SEPA: the Local FRM Plans are produced by lead authorities (a local authority deemed responsible for the publication of a Local FRM Plan on behalf of a local plan district partnership) There are 14 local plan districts in Scotland and 14 Strategies and 14 Local FRM Plans.
The development of the Strategies and Local FRM Plans has been aligned. Angus Council assisted SEPA in this through the provision of data and information, participation on and establishment of working groups and partnerships, and general support. The council will continue to take the lead in developing the Local FRM Plan, which is to be published in June 2016. The cost estimates for implementing the Directive set out in the FM were not broken down into the phases or actions requested here. Guidance was issued by Scottish Government only on a total estimated annual average cost for implementation of the Directive of £240k. Angus Council were subsequently allocated £188k for the implementation of the Directive, through the Flood Risk Management (Scotland) Act 2009. It is therefore not possible to compare the costs incurred over each period directly to the total costs for our organisation of producing the flood risk management plans by December 2015. However, it is considered that the costs incurred for the period from December 2013 would have predominantly been related to the production of the preliminary flood risk assessments, and may therefore be considered to be representative. These figures from 1 January 2014 to 31 December 2015, which are incurred and projected, are therefore submitted in response to question 3. The costs have been split into the three main elements of new duties from the Act. These include costs only as it is not considered that there has been any saving relating to this element of the Directive and Act. It is considered that the costs in addition to those allocated have been borne by the council to date given the high priority placed on flood risk management in Angus. Future continuity of such an additional investment by Angus Council will need to be prioritised against other competing needs and will be dependent on future settlements from Scottish Government. See Table 3.

4. What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The flood risk management plans by December 2015, are now known as the 'Local Flood Risk Management Strategies'. There is a further requirement in the Flood Risk Management (Scotland) Act 2009 for the production of Local Flood Risk Management Plans. The Strategies are produced by SEPA: the Local FRM Plans are produced by lead authorities (a local authority deemed responsible for the publication of a Local FRM Plan on behalf of a local plan district partnership) There are 14 local plan districts in Scotland and 14 Strategies and 14 Local FRM Plans. The development of the Strategies and Local FRM Plans has been aligned. Angus Council assisted SEPA in this through the provision of data and information, participation on and establishment of working groups and partnerships, and general support. The council will then continue to take the lead in developing the Local FRM Plan, which is to be published in June 2016. The cost estimates for implementing the Directive set out in the FM were not broken down into the phases or actions.
Guidance was issued by Scottish Government only on a total estimated annual average cost for implementation of the Directive of £240k. Angus Council were subsequently allocated £188k for the implementation of the Directive, as transposed to the Flood Risk Management (Scotland) Act 2009. It is therefore not possible to compare the costs incurred over each period directly to the total costs for your organisation of implementing the Directive up to December 2015. However, it is considered that the costs incurred for the period from April 2011 to December 2015 would have related to the production of the Strategies (flood risk management plans under the Act and Directive), and may therefore be considered to be representative. These figures from 1 April 2011 to 31 December 2015, which are incurred and projected, are therefore submitted in part response to question 4. In addition, projected costs for the development and publication of the Local FRM Plans in June 2016, which is the effective commencement of the first planning cycle, are also submitted in a qualified response to question 4. These include costs only as it is not considered that there have been any saving relating to this element of the Directive and Act. It is considered that the costs in addition to those allocated have been borne by the council to date given the high priority placed on flood risk management in Angus. Future continuity of such an additional investment by Angus Council will need to be prioritised against other competing needs and will be dependent on future settlements from Scottish Government. See Table 4.

5. **What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

Whilst there has been a significant investment of effort and resources in developing the National Flood Risk Assessment, flood hazard and risk maps, flood risk management plans (aka Strategies) and Local FRM Plans, it is considered that there will be similar levels of investment required in reviewing and updating these though subsequent planning cycles. It is considered that the same level of investment in reviewing and updating will be required by Angus Council, SEPA and other responsible authorities for the first six year planning cycle to 2021 (Strategies) or 2022 (Local FRM Plans), whichever cycle commencement you chose to apply. It is considered that the level of investment for the development of the National Flood Risk Assessment, flood hazard and risk maps, flood risk management plans (aka Strategies) and Local FRM Plans will reduce through cycles 2 and 3 as the benefits to the risk-based, plan-led methodology are realised. It must be noted that the Flood Risk Management (Scotland) Act 2009 introduces other duties and responsibilities on Angus Council and other responsible authorities to implement the actions detailed in the Strategies and Local FRM Plans, as well as more routine activities in assessing bodies of water (S.18) and undertaking clearance and repair works (S.59). Section 56 of the Act also introduces a level of expectation for local authorities to
actively seek to reduce the risk of flooding by implementing measures in addition to those detailed in the Strategies and Local FRM Plans. The flood risk management plans. Some of these actions may be of a capital nature and the expenditure may be subject to capital grant funding from Scottish Government. Many will be of a revenue nature and therefore would need to be borne by the council - the 2009 Act is very clear in placing duties and responsibilities on local authorities that are in excess of those previously from the Flood Prevention (Scotland) Act 1961. This distinction needs to be recognised as it is considered that there will be a three-stream requirement to deliver FRM: firstly, reviewing and updating the assessments, maps and plans every six years (similar to the costs from 2011-2016); secondly, routine compliance with the duties and responsibilities under the Act (annual revenue costs in excess of those required under the previous '61 Act); and delivery of the actions detailed in the plans over each six year cycle, some of which is not likely to be eligible for additional capital grant funding (this will require an ongoing financial commitment and ability to fund from the Council, which will be dependent on settlements from Scottish Government). The cost estimates for implementing the Directive set out in the FM were not broken down into the phases or actions requested. Guidance was issued by Scottish Government only on a total estimated annual average cost for implementation of the Directive of £240k. Angus Council were subsequently allocated £188k for the implementation of the Directive, through the Flood Risk Management (Scotland) Act 2009. It is therefore not possible to compare the costs incurred over each period directly to the total costs for your organisation of implementing the Directive and Act, as it is not clear what activities the cost estimates for implementing the Directive set out in the FM allowed for. It is considered that the costs incurred for the period from April 2011 to June 2016 may be representative as a projected cost for most implementing the Directive and Act. These figures from 1 April 2011 to 30 June 2016, which are projected and uplifted for inflation (3% p.a., which over six years is equivalent to a 3.23% average annual uplift), are therefore submitted in part response to question 5 only. In addition, projected costs for the other FRM streams that come from the Directive and Act are also submitted in a qualified response to question 5. The costs have been split into the three main elements of new duties from the Act. These include costs only as it is not considered that there will be any saving relating to this element of the Directive and Act. It is considered that the costs in addition to those allocated have been borne by the council to date given the high priority placed on flood risk management in Angus. Future continuity of such an additional investment by Angus Council will need to be prioritised against other competing needs and will be dependent on future settlements from Scottish Government. See Table 5.
6. **Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?**

The application of the FM and the supplementary higher and lower ranges provided by the Government has not been a straightforward exercise and the results need to be seen in context, and that these might not fully allow the Committee to scrutinise the true cost of the legislation. It is considered that there was a lack clarity in relation to the FM and the supplementary higher and lower ranges provided by the Government. It is therefore unclear how these figures will assist the Committee in its post-legislative scrutiny of the FM. The clarity that was provided at the time detailed that the total estimated average cost per local authority for implementing the Directive (through the Act) was £240k. There was no breakdown provided for producing the preliminary flood risk assessments, the flood hazard and risk maps, or the flood risk management plans (Strategies or Local FRM Plans) as has been asked for in this questionnaire. It is therefore not clear if there had been consideration of the financial impact of other duties and responsibilities under the Act, some others of which were in excess of those required under the previous '61 Act. Angus Council were subsequently allocated £188k annually for the implementation of the Directive, through the Flood Risk Management (Scotland) Act 2009. It was thus the national average of £240k and the Angus Council allocation of £188k that has been the focus of our own consideration. Angus Council is not aware how other responsible authorities are able to respond to this questionnaire. It is therefore recommended that the Committee seek a methodology to compare 'like-for-like' in terms of forecast costs from the FM and subsequent guidance and allocation (£240k and £188k respectively in the case of Angus Council), actual costs and forecast costs. Such a methodology would also allow the costs and benefits of the impacts of the legislation to more easily be subject to future scrutiny. It is considered that the costs in addition to those allocated have been borne by the council to date given the high priority placed on flood risk management in Angus. Future continuity of such an additional investment by Angus Council will need to be prioritised against other competing needs and will be dependent on future settlements from Scottish Government.
### Table 1

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<th>Period</th>
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<td>313,646</td>
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<td><strong>Total</strong></td>
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### Table 2

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<th>135,624</th>
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<td>637,544</td>
<td>366,748</td>
<td>480,000</td>
<td>376,000</td>
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<tr>
<td><strong>Total</strong></td>
<td>637,544</td>
<td>366,748</td>
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<td><strong>376,000</strong></td>
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### Table 3

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<td>1,129,079</td>
<td>538,675</td>
<td>499,800</td>
<td>83,300</td>
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<tr>
<td><strong>Total</strong></td>
<td>1,129,079</td>
<td>538,675</td>
<td><strong>499,800</strong></td>
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### Table 4

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<td>538,675</td>
<td>499,800</td>
<td>83,300</td>
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<tr>
<td><strong>Total</strong></td>
<td>1,129,079</td>
<td>538,675</td>
<td><strong>499,800</strong></td>
<td><strong>83,300</strong></td>
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</tbody>
</table>

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1. *S.56 costs for Arbroath (Brickhill Water) Flood Protection Scheme (approx. £959k to end of June 2015 and £1,126k to end of June 2016) may be subject to subsequent capital grant funding from Scottish Government of 80% of gross net to Angus Council of approximately £195k (£192k+£3k) to end of 2015 or £228k (£225k+£3k) to end of June 2016 for S.56.

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1. *S.56 costs for Arbroath (Brickhill Water) Flood Protection Scheme (approx. £959k to end of June 2015 and £1,126k to end of June 2016) may be subject to subsequent capital grant funding from Scottish Government of 80% of gross net to Angus Council of approximately £195k (£192k+£3k) to end of 2015 or £228k (£225k+£3k) to end of June 2016 for S.56.

---

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---

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---

1. *S.56 costs for Arbroath (Brickhill Water) Flood Protection Scheme (approx. £959k to end of June 2015 and £1,126k to end of June 2016) may be subject to subsequent capital grant funding from Scottish Government of 80% of gross net to Angus Council of approximately £195k (£192k+£3k) to end of 2015 or £228k (£225k+£3k) to end of June 2016 for S.56.
## Table 1

<table>
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<td>6-year cycle based on FM estimates</td>
<td>6-year cycle based on actual A &amp; C Council estimates</td>
<td>6-year cycle based on A &amp; C Council estimates</td>
<td>6-year cycle based on A &amp; C Council estimates</td>
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**Notes:**

- **Periods**
  - 1 January 2016 – 31 December 2021
  - 1 July 2016 – 30 June 2022

- **Forecast based on multiplier of 6/4.75 and 3% p.a. for inflation over six years**

- **6-year cycle based on actual A & C Council estimates**

- **Part 3 Sub-Total**

- **TOTAL**

### Part 3

- **Local FRM Plan cycle**

### Periods

- **2011/12**
- **2012/13**
- **2013/14**
- **2014/15**
- **2015/16**
- **2016/17**
- **2017/18**
- **2018/19**
- **2019/20**
- **2020/21**
- **2021/22**
- **2022/23**

### Notes

- **S.56 costs are forecast for flood protection schemes works and costs for other actions through the first six year cycle based on factored costs since April 2011. These costs would need to be subject to capital grant funding from Scottish Government.**

**Additional Note:**

- **S.56 costs are forecast for flood protection schemes works and costs for other actions through the first six year cycle based on factored costs since April 2011. These costs would need to be subject to capital grant funding from Scottish Government.**

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12
Finance Committee

Post-Legislative Scrutiny of the Financial Memorandum Accompanying the Flood Risk Management (Scotland) Bill

Submission from Argyll and Bute Council

Response

1. **What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

£87,000. Figure is for 2011-12 financial year.

2. **What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

£400,000. Figure is for 2012-14 financial years.

3. **What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

£310,000. Figure is for 2014-15 plus an allowance for 2015-16 financial year.

4. **What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

£800,000. Figure is for 2011-12 through to and including allowance for 2015-16 financial years.

5. **What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**
It is difficult to provide an estimate for this given that there may be more map areas to look at than in the first cycle work up – eg including reservoirs – and it is not certain how the tasks will be undertaken. With this in mind it is suggested that figures similar to the first cycle are used plus an addition for inflation and an allowance for additional areas and tasks to be brought into the scope.

6. Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?

In the overall cost estimate, it would almost certainly have proved less expensive for Argyll and Bute Council to have been a member of only one LPD. In this Council’s case there would have been little, if any loss of technical input because there is so little waterway connection/impact between us and neighbouring authorities.

Consider review of LPD areas.

The costs and estimates above relate to staff timesheet charges only. There are costs over and above these figures from staff who do not directly record their time, however the figures used do cover for the majority of the costs the Council has had.
Dear Mr Hunter

Post Legislative Scrutiny of the Financial Memorandum Accompanying the Flood Risk Management (Scotland) Bill

I refer to your letter of 29 June to the Chief Executive who has asked me to reply on her behalf.

The Finance Committee Questionnaire sets out a number of questions.

I have gathered information from 2009 until 2015 and this detail has been used to provide answers to the various questions. The table of these costs is included as an appendix to this letter.

1. What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

   The total costs in this period were £60,621.48. This aligned with the estimate.

2. What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

   The total costs in this period were £169,398.74. See question four.

3. What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

   The total costs in this period were £442,396.95. See question four.

4. What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?
The Financial Memorandum anticipated that the average cost to undertake the preliminary flood risk assessment by December 2011 would be £60,000 with a further £1.14 million being required to complete the first cycle to December 2015. Accordingly, based on this information the cost to East Ayrshire Council will be significantly less than this.

5. What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Until the full details are provided from the Flood Risk Management Strategy which will be published in December 2015, and the Flood Risk Management Plan which will be published in June 2016 it is not possible to estimate the cost of this work.

6. Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?

No further comments.

Yours faithfully

Stewart Turner
Head of Roads - Ayrshire Roads Alliance
FINANCE COMMITTEE QUESTIONNAIRE

1. What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The City of Edinburgh Council did not record this information separately. Accordingly it is not possible to provide this information. It should also be noted that a substantial amount of modelling and collation of data relating to historic flooding had already been done and it was possible to provide this information to the Scottish Environment Protection Agency. This information had been obtained by the Council in developing Flood Schemes, assessing planning applications and preparing our procedure for flood emergency response.

2. What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Again this information was not recorded separately (as above).

3. What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Again this information was not recorded separately (as above).

4. What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The estimated cost of implementing the Directive for the first planning cycle (up to December 2015) is £110,000 and it should be noted that this cost includes the work detailed in questions 1, 2 and 3. However, I will assess the work required and re-calculate an estimate once the full scale of the work becomes apparent. There are still a number of unknowns such as the need for a Strategic Environmental Assessment and Habitat Regulations Assessments and the templates for the Plan are still under development. The £110,000 includes a fee of £12,000 associated with the re-evaluation of cost-benefits for future phases of the Water Of Leith Flood Prevention Scheme but does not include the costs of any studies previously undertaken, the cost of any future studies or for the cost of any work undertaken with Scottish Water on the Edinburgh Integrated Catchment Study (ICS). For your information the Council agreed to a contribution of £370,000 towards the ICS and has allowed a further £20,000 for preparation of Surface Water Management Plans.

I am not aware of an estimate of cost that was previously undertaken.
The cost incurred to date as Lead authority is £31,830.68. This is much less that the initial estimate of £100,000 per annum which was estimated by Local plan District 10. Please note that this value of £31,830.68 is included in the £110,000 estimate.

5. What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

It is difficult to establish an estimated cost of reviewing and updating the assessments, maps and plans every six years post-2015 as the scale of work involved is not clear at this stage. However at present I am budgeting £20,000 over the six years.

I am not aware of an estimate of cost that was previously undertaken.

6. Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?

I do not have any comments on the information provided by the Government as I am not aware of what portion of these costs relate to this Council.
Finance Committee

Post-Legislative Scrutiny of the Financial Memorandum Accompanying the Flood Risk Management (Scotland) Bill

Submission from Clackmannanshire Council

Response

The Committee would welcome your response to any of the questions below. You do not need to respond to every question – please only respond to those which you consider relevant.

It would be helpful if a breakdown of any costs and savings could be provided along with any further evidence which might assist the Committee's consideration.

Please provide all information broken down by financial year.

1. What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Clackmannanshire Council did not formally record this information. The resource needed to fully engage and inform all the data and evidence gathering, and the output development processes, was absorbed by reprioritising existing Roads & Transportation staff resources. However, it is considered that this has only been possible as it happened to coincide with the national economic downturn and the subsequent reduction in the number and complexity of new commercial and residential developments allowing resources to be redeployed from Roads Development Control and Transport Planning. With the recent upturn in the economy an increase in development activity is underway and it is considered unlikely that current resources for flood risk management activities are sufficient to meet the demands of the legislation.

Whilst the work relating to producing the preliminary flood risk assessments was integrated into the workloads of officers who also cover other disciplines a reasonable estimate of the cost can be derived from the approximate amount of time each officer gave to this work. There was also some work carried out externally on flood risk assessments during this period.

Three officers: Team Leader Traffic & Transportation10%; Principal Roads & Flooding Officer 35%; Roads Officer 15%. Approximate cost: £26,000 / year. Cost of external studies over the two year period: 2010 - £11,000; 2011 - £14,500.
2. **What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

As above.

Whilst the work relating to producing the flood hazard and risk maps was integrated into the workloads of officers who also cover other disciplines a reasonable estimate of the cost can be derived from the approximate amount of time each officer gave to this work. There was also some work carried out externally on flood hazard and risk maps during this period.

Three officers: Team Leader Traffic & Transportation 10%; Principal Roads & Flooding Officer 45%; Roads Officer 15%. Approximate cost: £30,000 / year.

Cost of external studies over the two year period: 2012 - £9,000; 2013 - £7,500.

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3. **What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

As above.

Whilst the work to date relating to producing the flood risk management plans has been integrated into the workloads of officers who also cover other disciplines a reasonable estimate of the cost can be derived from the approximate amount of time each officer has given to this work. There was also some work carried out externally on flood risk assessments during this period.

Three officers: Team Leader Traffic & Transportation 10%; Principal Roads & Flooding Officer 50%; Roads Officer 10%. Approximate cost: £32,000 / year.

Cost of external studies over the two year period: 2014 - £12,000; 2015 - £4,000

Administration costs for the Council's membership of "The Forth" Local Plan District 9 have been 2013/14 - £2200; 2014/15 - £3100.

Costs for membership and the resource needed to fulfil it's legislative duties as part of "The Forth Estuary" Local Plan District 10 have been nominal given the proportion of the Council's boundary within this LPDs boundaries is very small.
4. What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

See 1 to 3 above.

5. What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Given this future workload will be driven, firstly by the process to produce the next six year cycle Flood Risk Management Strategies (by SEPA) and Local Flood Risk Management Plans (by the Local Plan District partnerships) then subsequently, by what objectives and actions these linked plans contain as they relate to the Council area, this question cannot be answered with a sufficient degree of accuracy which would be useful to the committee. However, as many lessons will have been learnt over the course of the current plan cycle by the responsible authorities, it may be that the plan procurement process may become more efficient in the future. However, Clackmannanshire Council has programmed up to £30,000 per annum to fund further studies to update and review the assessments, maps and plans although this money will also fund designs for minor flood protection schemes that arise through the 2016-22 (C1) action plans. There is a further £100,000 allocated for the construction of flood protection works in the first two years of the 2016-22 (C1) cycle then £50,000 per annum for the next two years; however this may alter depending on the detail of the six year action plan. Budgets have not been set for years 20/21 and 21/22. The Council will endeavour to retain a similar staff resource as has been utilised in the previous 6 years (refer to questions 1 to 3). Should the 'actions' for 2016-22 (C1) require design resource and construction costs above these levels of funding then this would be addressed in due course.

The costs associated with the management and implementation of all likely 'Actions' in the first cycle of plans, 2016-22 (C1), are unknown at this time. Accurate costs for likely structural and non-structural actions will not be known until appropriate flood risk assessment studies and option appraisal have been carried out. This information is essential, and indeed an essential requirement of the planning process, in order to determine potential benefits and costs in meeting the Council's PVA objectives. The Council's duty to lead on Surface Water Management Planning (SWMP) generates a significant level of uncertainty in cost prediction as this cannot be accurately estimated from the information developed by SEPA and used to derive current SWMP Priority Areas. This affords only a regional level of accuracy, is open
to challenge and is considered an insufficient basis for accurate financial decision making.

An important driver to identify budget requirements in the coming and subsequent six year cycles will be a proposed Integrated Catchment Study (ICS), developed in partnership with Scottish Water, which has been agreed in principle for the Alloa area. The ICS has an estimated contribution from the Council of between £50,000 and £60,000. The ICS should produce more detailed information on the pluvial flooding drivers in key urban areas within the Council. However, the two year study will not commence until 2016/17 and will not cover the entirety of the identified Priority Areas. Therefore it is not possible at present for the Council to accurately plan for the financial impacts of actions arising from SWMPs during the forthcoming six year plan cycle.

6. Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?

The uncertainty over future financing (level of grants etc.) of flood protection measures makes it difficult to provide the Council with an accurate requirement for funding in future years and this uncertainty can make flood protection budgets soft targets for budget savings with Councils looking to make swinging savings in revenue budgets.
Response

1. What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Two dedicated members of the Flood Risk Management Team, FRMT reviewed and collated historical data before submitting to SEPA. As part of this exercise a web based Flood Reporting Tool, (FRT) was set up. This is used to record all incidents of flooding.

Attendance to meetings and workshops in relating to the SEPA producing the preliminary Flood Assessment.

Costs to the local authority for staff time, setting up the FRT, licences, travel etc was £78k for year 2010-11 and £76k for year 2011-12.

2. What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The main focus up to December 2013 was reviewing data from SEPA and providing feedback. The FRMT expanded to 3 members in Jan 13 where 2 members were dedicated to reviewing the data the third member reviewed the maps 25% of their time.

In addition the Service Manager and Head of Service had some input.

Costs to local authority was £138k for year 2012-13 and £82.5k for year 2013-14.

3. What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The level of dedicated time by the FRMT is the same for question 2. Work included reviewing the Long list of actions, short list of actions, FRMS, preferred actions, prioritisation and public consultation.
Costs to local authority was £85k for year 2014-15.

4. What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The local authority has a Flood Team consisting of Team Leader, Engineer and Technician. The Team leader and technician’s time will on reviewing and updating the maps and plans is anticipated to be 75%. The engineer works with the capital projects but it is anticipated 25% of his time will be spent on the plans. Estimated annual cost to the local authority is in the region off £79.5k.

5. What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The local authority has a Flood Team consisting of Team Leader, Engineer and Technician. The Team leader and technician’s time will be dedicated on reviewing and updating the maps and plans. The engineer works with the capital projects but it is anticipated 25% of his time will be spent on the plans. In addition the Service Manager and Head of Service had some input. Estimated annual cost to the local authority is £79.5k.

Please note our response is for staff time only although a number of Flood Studies are required to be completed in Cycle 1.

6. Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?

It is our understanding Dumfries and Galloway Council’s revenue for Flood Risk Management is £150k annually. This is spent on staff time and undertaking Flood Risk Assessments. The findings of the FRAs are used to inform mapping & planning. The external costs e.g. FRAs are not included in our response.
1. What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Total costs for Dundee City Council were £414k (£143k in financial year 2010/11 and £271k in financial year 2011/12). This was higher than the estimates from the Financial Memorandum of £227k to £279k. This was mainly due to commencing a comprehensive Coastal Study to inform flood risk and hazard mapping and investigation of a higher than normal number of flood events.

2. What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Total Costs for Dundee City Council were £541k (£271k in financial year 2012/13 and £270k in financial year 2013/14). This was higher than the estimates from the FM of £343k to £421k. This was due to the continuation of the Coastal Study and the commencement of the comprehensive Tayside Integrated Catchment Study looking at the interaction of flood sources.

3. What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Total costs for Dundee City Council to December 2015 are estimated at £484k (£204k in financial year 2014/15 and estimated £280k in financial year 2015/16). This is higher than estimates from the FM of £355k to £437k. This mainly due to the costs associated with the comprehensive Tayside Integrated Catchment Study and also commencement of design of Coastal Defences which are a National Priority within the Flood Risk Management Act.

4. What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Total costs for Dundee City Council implementing the Directive across the timeframes for Questions 1-3 are £1,439k. That compares with the FM estimates of £925k to £1,138k.
5. What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Total costs for Dundee City Council are estimated at £1,020k.

6. Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?

No further comments

Fergus Wilson
City Engineer
Dundee City Council

28 August 2015
Finance Committee

Post-Legislative Scrutiny of the Financial Memorandum Accompanying the Flood Risk Management (Scotland) Bill

Submission from East Dunbartonshire Council

Response

The Committee would welcome your response to any of the questions below. You do not need to respond to every question – please only respond to those which you consider relevant.

It would be helpful if a breakdown of any costs and savings could be provided along with any further evidence which might assist the Committee’s consideration.

Please provide all information broken down by financial year.

Please see our comments in RED.

1. What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

This has just been a resource cost as these were produced by SEPA.

2. What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

SEPA produced the flood hazard and risk maps however were reviewed and comments upon via the CALL Group.

3. What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

These works will be undertaken by our PMO set up via the Clyde and Loch Lomond CALL Group for the LPD. At this stage we are not aware of our share cost as this is with Glasgow City Council. There will be a resource allocation to review these plans however not available at this stage.
4. **What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)?** How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Monies spent on implementing the Directive for first cycle under the FRM budget has been 12/13 - £165K, 13/14 - £217, 14/15 - £143K approximately.

5. **What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015?** How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

We do not have this work allocated as yet as unaware of funding for implementation of plan post 2015 and so on.

6. **Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?**

No.
Finance Committee

Post-Legislative Scrutiny of the Financial Memorandum Accompanying the Flood Risk Management (Scotland) Bill

Submission from East Lothian Council

Response

The Committee would welcome your response to any of the questions below. You do not need to respond to every question – please only respond to those which you consider relevant.

It would be helpful if a breakdown of any costs and savings could be provided along with any further evidence which might assist the Committee's consideration.

Please provide all information broken down by financial year.

1. **What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

   The cost of producing the preliminary flood risk assessments was not identified separately within the flooding and coastal protection budget.

2. **What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

   As above, the cost of producing the flood hazard and risk maps was not identified separately within the flooding and coastal protection budget.

3. **What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

   The Authorities in the Forth Estuary Local Flood Risk Management Plan District (FELFRMPD) have agreed to engage consultants to produce the Local Flood Risk Management Plan. No cost estimates have been produced to date.

4. **What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**
Total costs are not known as the costs of implementing the Directive was not identified separately (see above).

5. **What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

An estimate of the cost of reviewing and updating the assessments, maps and plans in future cycles will be undertaken in conjunction with other Local Authorities in the FELFRMPD once the current cycle is completed.

6. **Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?**

No.
Response

We have made a best estimate of FRM Act related work in the timeframe and using financial years to answer questions 1-3. Please see attached spreadsheet for a more detailed breakdown of the costs.

1. What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Total costs for Fife were £689k (£420k in financial year 2010/11 and £269k in financial year 2011/12). This was higher than the estimates from the FM of £180k-£222k.

2. What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Total costs for Fife were £417k (£206k in financial year 2012/13 and £211k in financial year 2013/14). This was slightly lower than FM estimates of £480k-£591k.

3. What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Total costs for Fife are estimated at £680k (£315k in financial year 2014/15 and estimated £365k in financial year 2015/16). This is higher again than the FM estimate of £480k-£591k.
4. What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Total costs for Fife were £1,786k across the timeframes for questions 1-3. That compares to the FM estimates of £1,140k-£1,403k.

5. What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Total costs for Fife are estimated at £4.179m (£1.469m estimated for staff time and a planned programme of 29 studies estimated to cost £2.710m). This is significantly higher than the FM estimates due to the number of studies required from the Prioritisation and Objective works recently concluded by SEPA which will inform the Strategic Flood Risk and Local Flood Risk Management Plans.

6. Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?

No further comments.
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Dear Convener

POST-LEGISLATIVE SCRUTINY OF THE FINANCIAL MEMORANDUM ACCOMPANYING THE FLOOD RISK MANAGEMENT (SCOTLAND) BILL

Thank you for the request of the 29 June asking for a response to the Finance Committee’s call for evidence in relation to its post-legislative scrutiny of the Flood Risk Management (Scotland) Bill’s Financial Memorandum.

The Forestry Commissioners were designated as a responsible authority under the powers associated with the Flood Management Act (Scotland) 2009 in 2013, and are therefore not included in the original Flood Management Act nor associated Financial Memorandum. However, at the time of designation as a responsible authority in 2013, Forestry Commission Scotland (FCS) estimated that the cost of implementing the Flood Risk Management (Scotland) Act would be approximately £75,000 per year. Since then, there has been a re-evaluation of the amount of staff time that FCS needs to spend on implementation, and the most recent estimate of implementation costs for FCS is approximately £37,000 per year. This information is also referenced in the Minister for Environment, Climate Change and Land Reform response to the Finance Committee.

In relation to Forest Enterprise Scotland, who manage the National Forest Estate on behalf of Scottish Ministers, there is no added burden, as the requirements under the
FRM Act are consistent with the principles of Sustainable Forest Management as set out in the UK Forestry Standard. This includes specific Forest and Water Guidelines, to which all operations on the National Forest Estate adhere. Verification of compliance with the standard is carried out independently via the UK Woodland Assurance Standard.

Yours sincerely

Jo O’Hara
Head of Forestry Commission Scotland
Response

Please provide all information broken down by financial year.

1. **What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

The staff costs, including 30% overhead, incurred during this period relating to the implementation of the Act were £248,041. During this period studies to the value of £107,000 related to supporting the implementation of the Act were also commissioned.

2. **What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

The staff costs, including 30% overhead, incurred during this period relating to the implementation of the Act were £157,866. During this period studies to the value of £486,896 related to supporting the implementation of the Act were also commissioned.

3. **What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

The staff costs including 30% overhead incurred during the period up until the Local Flood Risk Management Plan is published in June 2016 are anticipated to be £417,627. During this period studies to the value of ~£635,000 related to supporting the implementation of the Act are also going to be commissioned.
4. **What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)?** How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The total costs for the first planning cycle up until the Local Flood Risk Management Plan is published in June 2016 are anticipated to be £2,052,430. This excludes staff costs of £15,269 associated with the reservoir provisions within the Flood Risk Management (Scotland) Act 2009.

5. **What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015?** How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The current total cost estimate is £900,800 including supporting studies.

6. **Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?**

The following expenditure headings are NOT included in the above costs:

- Watercourse maintenance including culvert surveys / repairs.
- Engineering design to support implementation of flood risk management measures.
- Drainage projects that primarily support regeneration rather than flood risk management.
- Maintenance of existing Flood Prevention Schemes.
Finance Committee

Post-Legislative Scrutiny of the Financial Memorandum Accompanying the Flood Risk Management (Scotland) Bill

Submission from Inverclyde Council

Response

1. **What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

It is estimated that the cost for producing flood risk assessments by December 2011 was £6k.
Unfortunately we have no historical estimates to compare this with.

2. **What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

The total cost of producing flood hazard and risk maps by December 2013 was £35k.
We have no historical estimates to compare this with.

3. **What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

The current estimated cost for producing the flood risk management plans by December 2015 is £138k.
We have no historical estimates to compare this with.

4. **What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**
The total cost of implementing the Directive for the first planning cycle (up to December 2015) is £337k.
We have no historical estimates to compare this with.

5. **What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

The current total estimated cost of reviewing and updating the assessments, maps and plans every six years post-2015 is £60k.
We have no historical estimates to compare this with.

6. **Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?**

We have no other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM.
26 August 2015

Dear Kenneth

Post-legislative scrutiny of the Financial Memorandum accompanying the Flood Risk Management (Scotland) Bill

Thank you for your letter of 29 June to Richard Lochhead, Cabinet Secretary for Rural Affairs, Food and Environment. I am replying as Flood Risk Management falls under my portfolio.

As requested, I have attached a note providing information on the three distinct phases of implementation of the Flood Risk Management (Scotland) Act 2009, and how they compared to the estimates set out in the Financial Memorandum. I hope this is helpful.

I look forward to reading the findings of your review.

Kind regards

AILEEN MCLEOD
Post-Legislative Scrutiny of the Financial Memorandum Accompanying the Flood Risk Management (Scotland) Bill

Introduction
In response to the Finance Committee Convener’s request of 29 June 2015, this note offers information relating to the financial consequences of the Flood Risk Management (Scotland) Act 2009 “the FRM Act” in comparison to the corresponding estimates in the Financial Memorandum accompanying the Bill’s introduction.

Background
On 13 May 2009, the Scottish Parliament passed the most significant change to flooding legislation in 50 years. The FRM Act created a new and more sustainable approach to assessing and managing flooding across Scotland, while also transposing the European Directive on the Assessment and Management of Flood Risk (the Directive).

The FRM Act makes substantive provision in four main areas:

- Co-ordination and co-operation in all aspects of flood risk management;
- Assessment of flood risk and preparation of flood risk management strategies and plans;
- Amendments to local authority and SEPA functions for flood risk management including SEPA’s flood warning duties and local authority powers to tackle flooding;
- A revised statutory process for flood protection schemes.

In the 6 years since the FRM Act was passed, a number of organisations (including SEPA, Scottish Water and the Local Authorities) have come together in partnership to assess, plan and deliver measures to manage flood risk. While the number of interested parties can, and has, posed challenges in obtaining consensus on the way forward, it has also proven to be a significant strength when consensus has been achieved as it has enabled all the partners to deliver co-ordinated, strategic policies. This will help to achieve the overall aim of the FRM Act which is to reduce the flood risks facing Scottish communities and businesses, and to do so in a way that protects our natural and economic resources for future generations.

When looking back at the responses to the initial financial memorandum, particularly the concerns raised by some local authorities about SEPA’s new role, and whether it would undermine the local democratic process, it is even more impressive that we can say with confidence that there is an unprecedented level of co-operation and partnership between all the responsible authorities involved in the flood risk management planning process.

One of the first outputs from the FRM Act was the publication of the first ever National Flood Risk Assessment in December 2011. This means that, for the first time, we have a national picture of flood risk across Scotland. It represents a key milestone towards Scotland being able to target efforts to plan and invest in reducing impacts in areas most vulnerable to flooding.

On 15 January 2014, SEPA published the new flood risk and flood hazard maps, which supersede the previous indicative flood maps that had been available on SEPA’s website since 2006. These new maps provide the most comprehensive national source of data on flood risk in Scotland ever available.

SEPA published the draft Flood Risk Management Plans (now known as Strategies) on 22 December 2014, and carried out a joint consultation with local authorities on the draft Strategies and Local Flood Risk Management Plans. The final Strategies will be approved by
Scottish Ministers and published by 22 December 2015, with the Local Plans being published by June 2016.

Costs on local authorities
The costs on local authorities presented in the financial memorandum were based on estimates from six local authorities, with the upper range being based on costs estimated by those local authorities with more experience in tackling a wide range of flooding problems. The costs did not include the capital costs involved in implementing measures, but focussed on the revenue costs of the additional work involved in contributing to the production of the national flood risk assessment by December 2011, the flood hazard and risk maps by December 2013 and the flood risk management plans (now known as flood risk management strategies) by 2015. The lower range cost of implementation was £36.48 million, and the upper range cost was £44.9 million.

Overall these estimates have proved to be reasonable. Since 2011-12, local authorities have received £7.8 million per year in the revenue settlement for implementation of the FRM Act, which gives a total of £39 million for the period 2011-16. The financial returns from local authorities are not broken down as far as expenditure on implementation of the FRM Act, but they do give returns for total revenue expenditure on flood defence and land drainage. For the period 2011-12, 2012-13, and 2013-14 they show gross expenditure of £7.7m, £8.9m, and £8.9m respectively, on flood defence and land drainage; giving a total of £25.6m for that period (outturn figures for 2014-15 are not yet available). Extrapolating from those figures would give an estimated total revenue expenditure from 2011-16 of £43.6m. Given that not all of the expenditure on flood defence and land drainage will be on implementation of the Act, the final figures are likely to be close to the mid point of the estimated range of costs set out in the financial memorandum.

Costs on SEPA
The costs on SEPA presented in the financial memorandum were estimated as ranging from £16m - £22.23m by 2015 depending on the level of flood mapping and modelling required. SEPA's total expenditure will be £19.3m to the end of 2015-16, which falls firmly within the estimated range of costs within the financial memorandum.

This is an impressive achievement given the sheer amount of work involved in developing the skills and knowledge needed to lead on the implementation of such a substantive change to the practice of managing flood risk in Scotland. SEPA rightly focussed on developing and maintaining a partnership approach to implementation of the Act, an approach which has paid dividends in the level of agreement and co-operation which has been evident at all stages of implementation.

Costs on Scottish Water
As a result of the duties placed on Scottish Water under the FRM Act, Ministers issued a legally binding Direction requiring Scottish Water to take all necessary steps to fulfil its duties and obligations as set out in the FRM Act. Ministerial Directions are supported by a Technical Expression that sets out the specifics of what Scottish Water must deliver. The Technical Expression forms the basis for the monitoring arrangements.

The range of estimated costs on Scottish Water set out in the financial memorandum were £6m to £10m, and the total cost to Scottish Water of implementing the requirements of the FRM Act to December 2015 is £6.96m, which is close to the lower end of the estimated range.
To date, flood projects designed to meet the requirements of the FRM Act have taken the form of models and integrated catchment studies. In due course, the studies will confirm the measures that should be implemented to reduce the risk of flooding. All integrated catchment studies are delivered in partnership with the relevant Local Authorities.

Costs on Forestry Commission Scotland (FCS)

When the Financial Memorandum was prepared, the FCS had not been designated as a responsible authority. After consultation, the FCS was designated as a responsible authority in 2013, with an estimated cost, at that time, for implementing the FRM Act of £74,900 per year. Since then, there has been a re-evaluation of the amount of staff time FCS needs to spend on implementation, and the most recent estimate of implementation costs for FCS is £36,750 per year.

Response to Questions

1. What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

2. What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The role of the Scottish Government in the implementation of the FRM Act was not to produce the preliminary flood risk assessments or the flood hazard and risk maps. The Scottish Government’s role was to develop secondary legislation and guidance, and to establish and facilitate a change in the culture among a number of stakeholders in order to deliver a multi-agency work programme to bring about the necessary operational changes in the way flood risk is assessed and managed across Scotland. This was done through the establishment of the Strategic Advisory and Implementation Forum for Flooding (SAIFF). SAIFF comprises a series of working groups (called Task And Finish Groups), each with a specific remit. These groups are convened to help develop specific guidance or undertake further analysis of important technical issues. Each Task And Finish group includes representation from policy and technical experts.

A core Policy Management Group, chaired by the Scottish Government, is responsible for overseeing the work of SAIFF and the working groups, including agreeing an annual work plan. The Policy Management Group is also responsible for ensuring approaches adopted take account of relevant UK work and European Commission guidance and standards.

The majority of costs on the Scottish Government were the staff resources required to take forward this work. The majority of the work was undertaken by the Managing Flood Risk Team within the Scottish Government, which recruited 2 additional full time members of staff, and one part-time staff member. The staff costs from April 2010 to December 2011 for two additional full time members of staff, one part-time member of staff, plus 15% of an additional staff resource were £197,919. The costs of datasets were £238,000, which was less than the £2.5 to 3.5 million estimate in the supplement to the Financial Memorandum. This was because the costs of the datasets were shared between Scottish Government, Scottish Water,
SEPA and the Local Authorities and because developments in procurement policy led to reduced licensing costs.

The staff costs from January 2012 to December 2013 were reduced as the team was restructured and lost one of the additional full time staff posts. The costs for one full time member of staff, one part-time member of staff, plus 15% of another were £102,843.

3. What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

From January 2014 to December 2015 implementation costs will have reduced to £49k. From April 2015, the work is being delivered within the original staff complement of the Managing Flood Risk Team (minus the additional staff post) following restructuring and reprioritisation of work within the Team.

4. What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The total costs of implementation of the Directive on Scottish Government are £587,762, which is lower than the estimated costs of between £3.76 and £4.76 million. This is due to a reduction in staff costs as a result of internal restructuring and reprioritisation, and the fact that the costs of the datasets were shared between Scottish Government, Scottish Water, SEPA and the Local Authorities and because developments in procurement policy led to reduced licensing costs.

5. What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

We expect the ongoing costs to be minimal, as ongoing work will be delivered within the original staff complement of the Managing Flood Risk Team due to the restructuring and reprioritisation of work mentioned previously.

6. Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?

The financial climate has changed since the Financial Memorandum and the supplementary higher and lower ranges were produced. Despite financial constraints, the Scottish Government has sought to ensure that the responsible authorities, in particular SEPA and the local authorities, have received the funding necessary to ensure the FRM Act could be implemented effectively, and that any cost savings have been made within the Scottish Government. This has been demonstrated by the fact that expenditure by the responsible authorities is within the estimated ranges.

The implementation of the FRM Act has produced many challenges, but the fact that we have delivered the first ever national flood risk assessment, new flood risk and hazard maps, and are on course to publish the Flood Risk Management Strategies, and Local Flood Risk
Management Plans on schedule, demonstrates that the Scottish Government, SEPA, local authorities, Scottish Water and others have learned to work together to successfully translate the legislation into practical improvements to how flooding is managed across the whole of Scotland.
Response

1. **What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

The Council has no breakdown of costs in this format. The duty to prepare FRAs was with SEPA. The Council supplied information on flood risk including access to maps and models where these existed, and records of flooding. The cost to the Council would probably have been in the order of £15,000 comprising basically staff time in retrieving information and participating in meetings and reviews of the FRA as it developed. It is less than the average cost to a local authority of £60,000 quoted in the FM.

2. **What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

Flood hazard maps were produced by SEPA. However the Council supported SEPA in the process by reviewing the maps both desk-top and at review meetings and workshops, and providing information to support the map production at a strategic and operational level. There is no separately recorded cost but the Council estimates that the cost staff time would be in the order of £30,000. This is also less than the average cost to a local authority quoted in the FM but the FM recognises that there will be significant variances between authorities.

3. **What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**
Again, the Council has no separately identified cost for this activity. However there has been a considerable workload in collaborating with SEPA and Scottish Water through the process of characterisation, setting objectives, appraising options to reduce flood risk and determining preferred actions. The Council also provided considerable support at a strategic level. Based on assessed staff time this activity is estimated to cost in the order of £150,000. Again this is less than the average cost quoted in the FM.

4. **What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

Employing additional staff and redeploying others to expand the FRM team for the broader range of additional duties led to a cost increase of £160,000 per annum which includes 1 - 3 above. The range of duties in the Act that are new or take a greater prominence than under previous legislation are more extensive than simply the FRM Planning process. Equally, this new process was substantially underestimated in terms of complexity and what could realistically be delivered. This is further addressed in 6 below. The estimated cost by way of increased staff allocation for the six years is £700k.

5. **What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

This is expanded upon in 6 below. The additional provision for implementing the Act would be around £1m for the next cycle. This would include other activities beyond the FRM planning process. The Council’s annual expenditure (Revenue) for FRM would be in the order of £800k per annum including clearance and repair and pre-existing duties.

6. **Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?**

Yes.

It was broadly acknowledged at the time that there was considerable uncertainty as to the cost of implementing the FRM Act. The questions above relate to the planning process alone and do not take account of a number of activities that the Act has, at least tacitly, driven. Guidance under the Act has emerged over time and some guidance is under development still. So uncertainty remains.
The costs past and future are commented on below.

**FRM Planning Process**
The nature of the process meant that the contribution in terms of cost and time grew over the six years. This will probably be repeated. The rate of growth was initially low because the project/process fell behind programme. This meant that the resources the Council (and others) had to devote was less than forecast, with activity being crammed into the tail end. This contributed to the option appraisal stage being less comprehensive than envisaged, reducing cost but producing a less detailed output. The effect is to take cost out of the planning stage and insert it into the delivery stage.

**Local Delivery Plans**
The questions above relate to the first planning cycle to December 2015. Local Delivery Plans ought to have been developed by December 2014 in draft to accompany the fourteen Strategies for the statutory consultation. Instead they were minimalist. The work to prepare them has barely started so, as above, the costs have been pushed back to later in the programme – in effect to the period from now until June 2016.

**Surface Water Management Plans (SWMPs)**
Ministerial guidance on sustainable flood management, issues after enactment, under the Act, placed the primary duty of preparing SWMPS on councils. In some locations these are supported by extensive Integrated Catchment Studies led but Scottish Water but jointly funded by councils. This is a considerable task and that requires funding now, but particularly during 2016 – 2022 because the requirement will be specific in Strategies and Plans.

**Shoreline Management Plans**
Some councils have developed these plans or more extensive integrated coastal zone management plans. Coastal flood risk was not properly assessed in the current cycle (wave overtopping data was not available). It is likely that this will be a financial burden for relevant councils.

**Asset Management**
Requirements for clearance and repair are subject to guidance yet to be issued. This links to asset management and while the Act is not explicit, given the wider requirement for asset management systems, it would appear likely that councils will have to link clearance and repair to functional asset management. The Moray Council is progressing this but it requires resources.

**Delivering the Local Delivery Plan**
Councils have a tacit statutory duty to deliver what is set out in the Strategies and expanded upon in Local Delivery Plans. This will require resourcing, both capital and
revenue, to undertake studies and deliver schemes. COSLA is considering how grants will be distributed to fund some of these activities.

**Resilience and Raising Awareness**
The Council will be required through Strategies and Plans to communicate with stakeholders and provide advice on making communities more resilient in terms of flooding. This requires resourcing.

**General**
The Moray Council takes managing flood risk seriously and has increased resources in that area in difficult financial times to meet the demands of the Act and the changing approach it encourages. The cost/resource implications of the Act will not be felt in full until the delivery stage is underway with the next planning cycle in parallel.
Finance Committee

Post-Legislative Scrutiny of the Financial Memorandum Accompanying the Flood Risk Management (Scotland) Bill

Submission from North Lanarkshire Council

Response

North Lanarkshire Council’s costs in supporting SEPA produce preliminary flood risk assessments and producing flood hazard and risk maps together with costs of producing flood risk management plans were not recorded separately and we have therefore responded only to questions 4 to 6.

4. What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The total estimated cost of implementing the Directive in North Lanarkshire for the 4.5 year period (up to December 2015) after the 2010-2011 financial year is estimated to be £337,500 i.e. an average cost of £75,000 per annum. These costs are lower than the average cost estimates set out in the Financial Memorandum. North Lanarkshire Council did not express an estimate on likely local authority costs prior to publication of the Financial Memorandum.

5. What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

It is currently envisaged similar costs are likely to be incurred in subsequent planning cycles post-2015 i.e. £450,000 (6 years at £75k per annum). However inflationary pressures may result in higher costs. These costs are lower than the average cost estimates set out in the Financial Memorandum. North Lanarkshire Council did not express an estimate on likely local authority costs prior to publication of the Financial Memorandum.

6. Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?
No flood protection schemes have been promoted in North Lanarkshire and therefore there have been no costs in processing/approving such schemes. No savings have been made in relation to changes to reservoirs legislation as the transition of enforcement authority duties has yet to be completed.
FINANCE COMMITTEE QUESTIONNAIRE

The Committee would welcome your response to any of the questions below. You do not need to respond to every question – please only respond to those which you consider relevant.

It would be helpful if a breakdown of any costs and savings could be provided along with any further evidence which might assist the Committee’s consideration.

Please provide all information broken down by financial year.

1. What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

We do not have a breakdown by financial year but an estimate of cost based on the Flood Team Leader allocating 80% of their time to the process from April 2009 to December 2011 was a total staff cost of £109,106.11.

It should be noted that Scottish Borders Council undertook a Strategic Review of Flood Risk in the mid 2000’s. The Council commissioned consultants to undertake flood studies which in turn were used to develop the Council’s Strategy in managing flood risk in its region. The data gathered from the flood studies was important in the development of the preliminary flood risk assessments and the costs in developing these studies should be included in any cost comparison exercise. The cost for the ten studies undertaken by Scottish Borders Council during this period was £332,000.

I am unaware of any previous estimates of cost.

2. What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

As above, the total cost of the flood studies undertaken by Scottish Borders Council in mid 2000’s should be included in any cost comparison, these were important in developing and calibrating the flood hazard and risk maps developed by the Scottish Environment Protection Agency.

We do not have a breakdown of this by financial year but an estimate of staff costs for January 2012 to December 2013 was as follows.

Flood Team Leader – 80% of total time - £84,564.27
Flood Team Engineer – 10% of total time - £7,837.34
Flood Team Technician – 15% of total time - £890.40
Total - £93,292.01

I am unaware of any previous estimates of cost.
3. What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

We do not have a breakdown of this by financial year but an estimate of staff costs are given below.

Flood Team Leader – 80% of total time Oct 2013 – April 2015 - £65,123.94
Flood Team Engineer – 60% of total time Jan 2015 – March 2015 - £5,978.66
Flood Team Leader – 80% of total time April 2015 – Dec 2015 - £27,764.82
Flood Team Technician – 1 month 100% of time – £2,337.63
Legal Representative – April 2014 to Dec 2015 - £1000.00
Forward Planning Representative – 2009 to date - £2500.00
Total - £104,705.05

I am unaware of any previous estimates of cost.

4. What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The estimated cost of implementing the Directive for the first planning cycle (up to December 2015) is £194,497.06 this is based on the staff costs associated with questions 2 and 3 above.

I am unaware of any previous estimates of cost.

5. What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

I am making the assumption that the efficiency of the planning process in the second cycle will be greater due to all parties involved having a greater knowledge and that a huge proportion of the assessment work will have been done in the first cycle. I therefore estimate £20,000 - £30,000 over the six years.

I am unaware of any previous estimates of cost.

6. Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?

I have no further comments to make as I have no information on the costs estimate allocated specifically to Scottish Borders Council.
Finance Committee

Post-Legislative Scrutiny of the Financial Memorandum Accompanying the Flood Risk Management (Scotland) Bill

Submission from Scottish Water

Response

Scottish Water welcomes the opportunity to respond to the Post-Legislative Scrutiny of the Financial Memorandum Accompanying the Flood Risk Management (Scotland) Act.

Under the Act Scottish Water has been designated as a Responsible Authority (RA), with a duty to exercise our flood risk related functions with a view to reducing overall flood risk and, in particular, to exercise their functions under Part 3 so as to secure compliance with the Directive.

The Act places a clear focus on cooperative working between SEPA, the Local Authorities and Scottish Water in order to manage flood risk in a sustainable way.

Scottish Water’s specific Duties under the Act are:
- to assess flood risk from sewerage systems (surface water and combined sewers) (under Section 16)
- to have regard to flood risk management plans and local flood risk management plans
- to provide SEPA and Lead Authorities with information, documents and assistance (Section 33&34)

In our original submission, and as detailed in the Financial Memorandum (FM), we outlined our intention to establish a flood risk management team to contribute to the wider flood risk assessment and management process established under the Act.

In addition to the above we assumed that the Act would require Scottish Water to carry out a detailed assessment of sewer flooding for 5 areas covering 200,000 households at a cost of £4m. This was expected to meet the requirements subsequently outlined in section 16 of the Act (Assessment of flood risk from sewerage systems)

It should be noted that many aspects of the Act have developed further following its introduction in the Scottish Parliament and the discrepancies in the original estimated costs arise from the increased understanding gained throughout the implementation process.
1. **What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

In 2011 Scottish Water established a Flood Risk Management Team with the following responsibilities:

- Ensuring the requirements of the Act are well understood and fully implemented by the business.
- Carrying out the studies necessary to assist SEPA and the other Responsible Authorities in the production of flood risk and hazard maps and Flood Risk Management Plans.
- Working in partnership with SEPA and the other responsible Authorities to develop the guidance necessary to support the implementation of the Act.
- Actively participating in the SAIFF groups established to develop guidance, agree Scottish Water’s investment priorities and monitor the overall implementation of the Act.

The team supported SEPA during the development of the preliminary flood risk assessments through discussions, knowledge sharing and the provision of existing Scottish Water corporate datasets. Staff costs incurred for this activities have been in the region of £0.09m. This is lower than our original estimate of £0.16m as set out in the FM.

2. **What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

Scottish Water contributed to the production of the flood hazard and risk maps by carrying out an assessment of the risk of flooding from sewerage systems in Potentially Vulnerable Areas (section 16 of the Act). The areas requiring assessment and the form of the assessment were determined by SEPA and agreed through consultation with the other Responsible Authorities in May 2012.

In our Q&S3b investment period (2010 – 2015) we carried out 67 of these assessments using existing models determined to be of a sufficiently high standard. The cost of this work was £0.27 million. This is lower than the cost estimate outlined in the Financial Memorandum (£4m) as this was based on the assumption that the Act would require Scottish Water to produce 5 highly detailed assessments as outlined above.
3. **What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

Scottish Water’s responsibility with regards to the production of the flood risk management plans covers the provision of data on the risk of flooding from the sewerage system and working in partnership with SEPA and the other Responsible Authorities to facilitate the production of the plans.

To fulfill these responsibilities we are undertaking 5 Integrated Catchment Studies (ICS) in full partnership with the relevant Local Authorities (South, East and North Ayrshire Councils, Dundee City Council, Perth and Kinross Council, Angus Council, Aberdeen City Council, Aberdeenshire Council, Falkirk Council, City of Edinburgh Council, East Lothian Council and Midlothian Council) covering five of the major urban areas in Scotland (Ayrshire, Dundee, Edinburgh, Falkirk and Aberdeen).

The studies, which cover upwards of 500,000 households (25% of Scotland’s population), investigate the hydraulic performance of the sewerage network and its interaction with surface water drainage networks, watercourses and where applicable, the sea.

The outputs of this work will provide greater knowledge and intelligence to be used through the Surface Water Management Planning process that will, in turn, form part of the flood risk management plans. The studies will provide additional information on sewer capacity to facilitate growth and, in some instances, the potential impact of discharges onto Bathing Waters, Shellfish Water and watercourses. This knowledge will help Scottish Water and the Local Authorities to plan investment more sustainably by potentially aligning investment plans and achieving multiple objectives.

Scottish Water’s contribution to the costs of these studies, estimated up to December 2015 is £5.3 m. In our original submission we did not account for these studies, however we did assume that 5 detailed studies covering 200,000 households would have to be carried out to meet the requirements set out under section 16 of the Act. In our previous submission we stated that the cost would vary due to the complexity of the catchments. Given that the work covers over twice the number of households previously considered, the original estimate of £4m is consistent with our initial assumptions.

In addition to the above our Flood Risk Management Team has worked closely with SEPA and the Responsible Authorities throughout the development and implementation of The Act. We are active members of the Scottish Advisory and
Implementation Forum for Flooding (SAIFF) groups established to progress the implementation of the Act and of Local Plan District (LPD) partnerships. The cost to the business of carrying out these activities is in the region of £1.3m.

The total cost to the business of directly contributing to the production of the flood risk management plans by December 2015 will be around £6.6m.

4. What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The total cost to Scottish Water of implementing the requirements of The Act up to December 2015 is £6.96m. This is lower than our original estimate of £12.7m and within the high and low range (£6m to £10m) provided by the Government.

5. What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The estimated future costs to Scottish Water of implementing the requirements of The Act are as follows:

In the 6 years following December 2015 we will invest £9m to undertake 203 assessments of flood risk from the sewerage system in order to satisfy the requirements of section 16 of The Act. The increase in costs is due to the higher number of assessments, new and the need to upgrade existing and build new sewer network hydraulic models to produce outputs of an appropriate standard. In subsequent cycles we expect these costs to be significantly lower as we will be maintaining and updating existing assessments rather than carry out new ones.

In the same period we will undertake a further 15 integrated catchment studies in collaboration with Local Authorities in order to understand the complex interactions between watercourses, sewers and the sea. We estimate the cost of this work to Scottish Water to be in the region of £5 million. We will also invest in the maintenance of the integrated catchment models that will have been completed, in both our SR10 and SR15 investment periods. We estimate the annual maintenance cost to be 10% of the capital cost equating to £0.52 million for the SR10 integrated catchment studies and £0.5 million for the SR15 integrated catchment studies.

Our staff will continue to work closely with SEPA and other Responsible Authorities to carry out the work outlined above and support the production and revision of Flood
Risk Management Strategies and Local Flood Risk Management Plans. We estimate that our staffing costs over this period will be £1.3 million. Taking into account the significant challenge ahead in managing flooding in Scotland and the challenges of population increase, urban creep and climate change; we anticipate that these costs will remain the same over each 6 yearly cycle for the foreseeable future.

The total estimated future costs to Scottish Water of implementing the requirements of The Act within the next planning cycle will be around £16.32m.

6. Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?

Due to its complexity, the surface water management planning process is not as mature as we anticipated at this stage so we are unable to estimate the cost of contributing to this work beyond what is described above, or in the delivery of capital and operational measures to manage flooding resulting from this work.
Introduction
The Scottish Environment Protection Agency (SEPA) welcomes the opportunity to respond to the Finance Committee’s request to assist in their post-legislative review of the finances associated with the implementation of the Flood Risk Management (Scotland) Bill.

The Bill conferred significant new flood risk management duties on SEPA, most importantly our lead flood risk management role and our role as competent authority for implementation of the EC Floods Directive elements of the Bill.

SEPA worked with Scottish Government colleagues throughout the Bill process shaping the legislation to make sure that the provisions relevant to SEPA could both reduce the impact of floods in Scotland and meet the requirements of the EC Floods Directive. Our close relationship with Scottish Government enabled us to work together to ensure that adequate funding was included within SEPA’s grant-in-aid to cover our new duties.

SEPA recognised that successful implementation of the Bill would require innovative approaches to meet the challenge of delivery. Much of the science and many of the activities would be new for Scotland and delivering the component flood risk management products at the national scale for the first time ever meant that the task carried a high level of uncertainty. This uncertainty was clearly captured in our submission to the Committee in November 2008 and in the finance scenarios provided in the Financial Memorandum (FM).

The lower and upper scenarios provided in the FM estimated SEPA implementation costs to 2015 ranging from £16m - £22.23m depending on the level of flood mapping and modelling required. SEPA considered the higher estimate to be more likely given the high level of uncertainty entering into this process and the likelihood that the Preliminary Flood Risk Assessment due by December 2011 would highlight areas requiring further analysis and identify further areas at flood risk – in particular areas at risk from pluvial flooding.

Overall these estimates have proved to be reasonable, with SEPA implementation costs totalling £19.3m from 2009/10 through to end of FY 2015/16. SEPA staff estimates from the FM were 55 from 2011 – current staff numbers are 55 plus 3 trainees.

This total figure includes all costs to SEPA in developing our capability for the first and subsequent flood risk management planning cycles including delivering the 2011 Preliminary Flood Risk Assessment, the 2013 Flood Hazard and Flood Risk Maps, and the 2015 Flood Risk Management Plans. It includes some costs relating to our uptake of Reservoirs (Scotland) Act

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1 SP Paper 191 - Stage 1 Report on the Flood Risk Management (Scotland) Bill
2 Methodology and approach not fully developed, data availability and quality unknown.
2011 responsibilities (excluding reservoir inundation mapping) but not costs relating to flood risk management actions such as delivery of new flood warning schemes. These are supported directly through other Scottish Government funding streams.

Background
The Flood Risk Management (Scotland) Bill follows the six-year cycles within the EC Floods Directive. The purpose of the now Flood Risk Management (Scotland) Act 2009 (FRM Act) is to drive down the impacts of flooding over the envisaged 30-50 year horizon of the legislation. This is being delivered through a plan-led, risk based and sustainable approach by SEPA, responsible authorities and other stakeholders working in collaboration. The legislation places SEPA in a lead delivery role.

Processes driving decisions on how to spend Scotland’s available flood risk management budget need to be based on the best science and data, must be robust and as much as possible satisfy all stakeholders.

Considerable effort has been put into building our team, our skills and knowledge and setting out the policy and delivery methods for each of the component parts that led to the drafting of flood risk management plans that will be published in December 2015.

We have also focused resources on engagement activities to ensure that the approach we have developed for flood risk management in Scotland is supported by all the responsible authorities and by other partners and stakeholders.

Overall this has been a substantial and complex task. In 2009 we had a team of two dedicated to this and the skills base and data required to deliver the requirements of the Act did not exist. Over this period we have grown the core flood risk management team to the 55 staff required to deliver the service.

Early implementation challenges had to be rapidly addressed to ensure that legislative deadlines were met and that outputs were delivered to the required quality. We had to adopt innovative approaches to staffing (for example establishment of the SEPA Flood Risk Management Trainee Programme), embark on a major data capture programme and develop new and innovative approaches to bringing data together. The Scottish Advisory and Implementation Forum for Flooding (SAIFF) commented in 2013 that SEPA were “working at the limits of research in this field”.

Since the implementation of the FRM Act it has been necessary to drive forward flood risk management science developments to support the decision making process. As we approach December 2015 and publication of Scotland’s first Flood Risk Management Plan we are now in possession of the most comprehensive set of flood hazard and risk information ever brought together for our country. Not only have we created this data but have significantly advanced flood risk management science and its application and have the strong foundation to drive flood risk management decisions in the coming years.

In the period under review here to December 2015 the significant tasks we have undertaken to enable successful delivery have included:

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3 Introduction of a risk based approach to reservoirs regulation was originally part of the FRM Act implementation.
4 Includes £400k on reservoirs regulatory development work, staff costs etc. (Not reservoir mapping).
5 At current spending rates close to £1B over 30 years.
6 Setting up relevant review groups to ensure peer review of methods etc. through the Scottish Advisory and Implementation Forum for Flooding (SAIFF). Establishing Lead Local Authority, National Advisory and Local stakeholder groups. 32 Local Authorities, National Parks, Scottish Water, ......
• Setting out our flood risk management policies.
• Agreeing our methodologies.
• Establishing the engagement framework across 32 local authorities, Scottish Water and multiple partners and stakeholders.
• Developing our science and data\(^7\) including overcoming the major challenges associated with handling and processing large amounts of data, data licence management and intellectual property of derived data products.
• Establishing a procurement framework to provide access to skills and resources of leading consultancy companies to ensure work could be delivered in time\(^8\).
• Establishing a flood risk management trainee programme – working with Stirling and Dundee Universities we have brought through 26 young graduates who now form the core of our flood risk management team.
• Developing our skills and knowledge to the level expected of the lead flood risk management authority, providing national information on flood risk and identifying the most sustainable combination of actions to manage flood risk. Such data on costs and benefits of investment allows local authorities and other delivery partners to target spending in areas of greatest benefit.

We have grown our business capability to deliver the requirements under the Act, namely:

• The first national flood risk assessment for Scotland 2011.
• Flood hazard and flood risk maps for all Scotland 2013.
• The Flood Risk Management Plan for Scotland (comprising the 14 Flood Risk Management Strategies) 2015.

**Finances**

Over the last six years since the Bill was enacted, SEPA has worked closely with Scottish Government to ensure that the grant-in-aid (GIA) we receive adequately supports our FRM duties. Over this period we have delivered our flood risk management legislative responsibilities to the required deadlines and quality within our financial allocation and time available.

We have also developed the strong foundation to continue the work the legislation requires of us through its envisaged 30-50 year lifespan.

The preliminary flood risk assessment, flood maps and flood risk management plans are not independent products; each product has been a step towards identifying our flood risk management priorities outlined in the plans we will publish in December this year. This and the requirement for us to develop our business and deliver the products simultaneously in this first six years since the Act was implemented means it is difficult to directly attribute delivery costs to individual deliverables.

Our responses to the questions asked by you outline the total spend over the period of delivery for each of the main deliverables.

**Response to questions**

1. **What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

SEPA was required by the legislation to prepare preliminary flood risk assessments by December 2011.

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\(^7\) SEPA flood risk management data holdings >30Tb

\(^8\) £2m spend through this contract – supplying quality work and valuable support to consultancies.
Activities relevant to all the SEPA deliverables outlined in questions 1-3 were underway from 2009. The development work undertaken supported all the key deliverables: preliminary flood risk assessments, maps and plans. Therefore the costs quoted are our best assessment of what each of the three main deliverables cost.

Activity and spend for the delivery of the Preliminary Flood Risk Assessment in December 2011 spanned financial years 2009/10, 2010/11 and 2011/12. The estimated costs outlined for this period of activity in the FM were £3.34m in 2010/11 and £4.82m in 2011/12 (no cost estimate was given in the FM for 2009/10). A total of £8.16m.

Actual cost to SEPA in this period was £6.08m. (£2.08m or 25% less than estimated). These costs included delivery of the preliminary flood risk assessment and some early work on the flood hazard and risk maps.

SEPA delivered the preliminary flood risk assessment for Scotland (The National Flood Risk Assessment (NFRA)) on time and to the required quality within our budget allocation.

2. **What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

SEPA was required by the legislation to prepare flood hazard and risk maps for Scotland by December 2013.

The costs for the delivery of the flood hazard and flood risk maps in December 2013 fell largely in financial years 2012/13 and 2013/14. The estimated costs outlined for this period in the FM were £5.57m and £3.4m, or £8.97m for the two years.

Our total costs in this period were £6.01m. (£2.96m or 33% less than estimated). SEPA delivered the flood hazard and flood risk maps on time and to the required quality within our budget allocation.

3. **What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

SEPA is required by the legislation to prepare flood risk management plans by December 2015.

The costs for the majority of the work associated with the production and delivery of the flood risk management plans by December 2015 spanned financial years, 2014/15 and 2015/16. The estimated costs outlined for this period in the FM were £3.4m and £1.7m (up to December 2015) at total of £5.1m.

SEPA costs for delivery of the Flood Risk Management Plans in this period are anticipated to total £ 7.21m through till March 2016. (£2.11m or 41% more than anticipated). These higher than estimated costs were due to picking up and completing all activities not concluded as expected in previous financial years. This includes costs associated with our statutory EC reporting in March 2016 and supporting local authorities through to the production of their Local Flood Risk Management Plans in June 2016.

SEPA is on target to deliver the flood risk management plans on time and to the required quality within our budget allocation.
4. **What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

The estimated costs in the FM ranged from £16m - £22.23m. The total costs\(^9\) for SEPA in implementing the Directive up to March 2016 will be £19.3m.

Given the uncertainties on costs at the FM stage, SEPA and Scottish Government did very well developing the estimated costs of implementing the FRM Act.

FM estimates were good with the final costs for implementation falling comfortably between the lower and upper estimates. SEPA estimated at the time of the FM that our costs would be at the upper end of the FM range. We have managed to take on our new duties under the Act, build our capability and deliver the key outcomes for £2.93m (13%) less than the upper range estimate.

The profiling of the costs year on year was very difficult given some slippage in the earlier part of the programme associated with start-up, resourcing and method development. These delays led to significant budgetary challenges that meant some tasks (completion of flood maps) were pushed into later financial years and anticipated budget spend was not realised (2011/12). Aligning the appraisal of potential actions with the final flood hazard map outputs was also more complex and hence more expensive than originally considered. Close working between SEPA and Scottish Government has enabled us to manage finances within SEPA's overall grant-in-aid, across financial years.

During the period it is worth noting that SEPA carried out a significant programme of organisational change. The main purpose of this was to ensure that SEPA was focusing its resources on its main priorities and continued to operate as efficiently as possible as an organisation as a whole. Whilst our efforts on flooding were increasing and our staff numbers increased in flood risk management in line with that, SEPA's overall staff numbers decreased over this period\(^{10}\).

5. **What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

Under the legislation SEPA has an ongoing role in leading flood risk management in Scotland. To sustain this we need to continue to develop our reputation as the lead authority and maintain an efficient framework that brings all responsible authorities, partners and stakeholders together in the process. Sustaining this role and delivering the updated assessments, maps and plans through each cycle based on our current knowledge is estimated to cost us £3.5m +/- £100k per annum or £21m through till end of FY 2021/22. This compares well to the estimate of £3.4m outlined in the FM. This is manageable within SEPA's current level of grant-in-aid allocation.

This estimate is based on sustaining our FRM Act services and delivering the improvements to flood risk assessments, maps and plans for the next cycle. This cost does not include delivery of “actions” relevant to SEPA identified in the flood risk management plans (e.g. new flood warning schemes). However SEPA will continue to work with Scottish Government to see

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\(^9\) These costs cover the period from 2009/10 through to end of financial year 2015/16 and include £360k costs in 2009/10 - early costs to SEPA in setting up staffing prior to enactment and finances coming through and reporting activities required by the EC Floods Directive by March 2016.

\(^{10}\) Total SEPA Full time equivalent staff 2009= 1314, 2015=1230.
where efficiencies can be made across all our flood risk management activities to ensure that we deliver the most we can for Scotland from our allocation.

6. Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?

The process SEPA and Scottish Government went through to determine the ranges in the FM at the Bill stage in our view proved to be worthwhile. The FM referenced preliminary upper estimates for staff as £14.18m and other work including method development, mapping and modelling as £8.05m (£22.23m total). Our actual costs for these for the period to April 2016 will be £12.56m and £6.74m (£19.3m total).

Whist we did not have a full understanding of our approach at that stage, and were carrying a number of uncertainties into the process, it did enable a range of costs to be established and a joint understanding of the uncertainties and the challenges ahead. This enabled subsequent budgetary negotiations to proceed more smoothly with a shared knowledge of the challenge.

The main financial challenges we faced in this first cycle have been:

1. We could not start our programme until finances were secured post-enactment. The confirmation and release of implementation funding coincided with enactment which meant SEPA had to commence delivery in parallel with implementation planning and critically appointing the required staff resource. This led to a very slow programme start and delays that had knock-on budgetary and delivery impacts through the first cycle.

2. Managing in-year finances for a six-year cycle of activities. The lack of flexibility in carrying over budget at the end of the financial year has implications for managing a multi-faceted and multi-year programme of work, much of which involved developing new approaches to assessing flood risk at a national level.

ENDS
Response

1. What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Council Response: It is estimated that the Council spent £54k on staff resources to produce the preliminary flood risk assessments by December 2011. This estimate is broadly in line with the £60k reported in the Financial Memorandum.

2. What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Council Response: It is estimated that the Council spent £58k on staff resources between 2011 and 2013 to produce the flood hazard and risk maps by December 2013 (approximately £29k each year). This estimate is significantly less than the £240k average annual cost set out in the Financial Memorandum.

3. What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Council Response: It is estimated that the Council spent £28k on staff resources between 2013 and 2015 to produce the flood risk management plans by December 2015 (approximately £14k each year). This estimate is significantly less than the £240k average annual cost set out in the Financial Memorandum.

4. What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?
Council Response: It is estimated that the Council Spent £140k in total implementing the Directive for the first planning cycle by December 2015 (2011 - £54k, 2012 - £29k, 2013 - £29k, 2014 £14k, 2015 £14k). As reported above, the estimated costs for implementation is significantly less than the financial costs set out in the Financial Memorandum (£1.14m).

5. What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

Council Response: In is estimated that the Council will spend £110k over the 6 year period post 2015 (approximately £18k each year). This is significantly less than the 240k average annual costs set out in the Financial Memorandum.

6. Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?

Council Response: No further comments.
Response

In order to assist the Finance Committee, South Lanarkshire Council have provided an estimate of our costs to date, as requested within this questionnaire, for undertaking the various duties placed upon the Council as a Responsible Authority under the Flood Risk Management (Scotland) Act 2009.

It is difficult to define the costs for each individual task carried out under the Act as most tasks are inherently intertwined. However we have endeavoured, using estimates, to provide the most accurate information possible.

It should be noted that the questions within this document request information on expenditure which can span more than one financial year.

Therefore our costs have been calculated on a pro-rata basis to be as accurate as possible in answering the relevant questions.

1. **What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

   In order to meet the demands of the new legislation, SLC employed additional staff and purchased new GIS mapping software. Our costs, up to December 2011, associated with the FRM Act were £207,093.57.

   Our costs during this period are therefore significantly higher than the estimate of £90,000 (£60k per annum over 1.5 years) stated within the FM, however these are in line with what the Council estimated was required in terms of resources.

2. **What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

   Our costs, from Dec 2011 to Dec 2013, associated with the FRM Act were £289,481.64.
The FM estimate for this phase was £390,000 (£240k per annum) per Local Authority. Our costs over this period are therefore lower than the FM estimate, however these are in line with what the Council estimated was required to satisfy our duties.

3. **What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

Our costs, from Dec 2013 to Dec 2015, associated with the FRM Act were/are expected to be £438,996.287. During this period we began undertaking the necessary survey, flood study, ICS and SWMP work associated with our actions under the Act.

The FM estimate for this phase was £480,000 (£240k per annum) per Local Authority. Our costs over this period are therefore lower than, but similar to, the FM estimate, however these are in line with what the Council estimated was required to satisfy our duties.

4. **What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

The total costs for South Lanarkshire Council are estimated to be £935,571.49. This total is made up of staff and IT costs, as well as expenditure incurred in progressing SWMPs, ICS and other studies associated with the first plans.

Our costs over this period are slightly lower than the FM estimate of £960,000, however very close and in line with what the Council estimated was required to satisfy our duties.

5. **What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

The estimated costs to our organisation to do this process again in the next cycle will be our baseline staff, IT and support costs of £175,546.14 per annum.
Please note that this estimate does not include any costs associated with the expenditure that will be required to progress the actions that will be listed in the first LFRMP. It is our understanding that the budget for Councils to progress the first cycle actions is still under discussion and will be clarified by the Scottish Government at any time.

6. Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?

Our total costs to date have been below the FM estimates; however it should be noted that subsequent to this first cycle, funding will need to be made available for Councils to progress the actions placed upon them within the first LFRMP. Therefore the expenditure incurred to date may not reflect the level of funding that is required in future planning cycles.

It should also be noted that the FM estimate will most likely have included many tasks which to date have yet to be progressed due to a variety of reasons including lack of available guidance. These tasks will need to be carried out at some point and the budget for Local Authorities to undertake these tasks must be considered in the future planning cycles.
Finance Committee

Post-Legislative Scrutiny of the Financial Memorandum Accompanying the Flood Risk Management (Scotland) Bill

Submission from West Lothian Council

Response

1. What were the total costs for your organisation of producing the preliminary flood risk assessments by December 2011? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The preliminary flood risk assessments were prepared by SEPA. West Lothian Council incurred no costs in this regard.

2. What were the total costs for your organisation of producing flood hazard and risk maps by December 2013? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The flood hazard and risk maps were prepared by SEPA. West Lothian Council contributed information on historical flood events but the cost of so doing was negligible and not separately accounted for.

3. What are the current estimated costs for your organisation of producing the flood risk management plans by December 2015? How did these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The estimated cost of producing flood risk management plans is significant. It is estimated that it is the equivalent of one full-time professional officer over four years plus some consultancy support and equipment totalling in the order of £220,000.

4. What are the total costs for your organisation of implementing the Directive for the first planning cycle (up to December 2015)? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?

The cost of West Lothian Council implementing the Directive for the first planning cycle up to December 2015 is estimated at £265,000. The Financial Memorandum
associated with the Bill estimated that the average cost incurred by each Local Authority for implementing the Act during the first planning cycle 2011 to December 2015 would be £1.14 million; some £285,000 per annum. There would also be an annual cost of implementing the Act after December 2015, estimated in the region of £240,000 for each local authority.

5. **What are the current total estimated costs for your organisation of reviewing and updating the assessments, maps and plans every six years post-2015? How do these compare to the estimates set out in the FM (and in the supplementary high and low ranges provided by the Government) and to any estimates submitted by your organisation?**

The total estimated cost for West Lothian Council of reviewing and updating the assessments, maps and plans every six years post 2015 is £155,500. This sum is less than estimated in submissions to the Scottish Parliament’s Finance Committee.

6. **Do you have any other comments in relation to the FM and the supplementary higher and lower ranges provided by the Government that might assist the Committee in its post-legislative scrutiny of the FM?**

The costs incurred by West Lothian Council reflect significant resource constraints, which to some extent have driven efficiency but have also served to limit the resources available to focus on key stages of the first planning cycle.