

Agenda Item No: 9.4 **Report No:** 50/15

Report Title: Options for the River Ouse Inland Drainage District

Report To: Cabinet **Date:** 19th March 2015

Cabinet Member: Cllr Ron Maskell

Ward(s) Affected: All wards

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Purpose of Report: To appraise the Cabinet of the Environment Agency's decision to dissolve the Ouse Inland Drainage District, set out the options and agree the future management of the area of the inland drainage board.

Officers Recommendation(s):

- 1 To agree the option of not instigating or leading on the establishment of an IDD for the River Ouse or join with the wider East Sussex IDD
- 2 To agree that, in the absence of an IDD, from 2016/2017 the funds previously levied by the Environment Agency for managing the Inland Drainage District should be targeted to mitigate flood risk across the district (including coastal protection), consulting with the EA and other organisations as appropriate.
- 3 To agree that from 2016/2017 a Reserve is established from underspends within the flood risk budget to be used as contributions to unlock central government funds for larger flood and coastal erosion mitigation projects.
- 4 That in three years time a review of how water levels are being managed in the Ouse Inland Drainage District shall be undertaken in consultation with key partners such as East Sussex County Council, Environment Agency and others.

Reasons for Recommendations

Summary

1.1. In June 2012 the Environment Agency decided to end its role in managing the manage water levels in the lowland areas adjacent to key rivers – areas which are defined as Inland Drainage Districts (IDD). This is because the Environment Agency does not normally undertake this role and over time it has transferred or dissolved these responsibilities according to local circumstances. There remains only 8 IDDs, all located in the South East of England – 3 in East Sussex, one of which is the Ouse Inland Drainage District and the others cover the Cuckmere and Pevensey.

1.2. Discussions have taken place with the Environment Agency, the County Council and neighbouring councils on alternative arrangements, which includes establishing a replacement IDD administered by the councils collectively for a wider East Sussex area or separately for their defined areas, or whether to replace an IDD at all and whether funds could be diverted to better protect areas at risk of flooding.

2. What is an Inland Drainage Board and Inland Drainage District?

2.1. An Internal Drainage Board (IDB) is a local public authority that manages water levels in a defined area, the Inland Drainage District (IDD). There are 121 IDBs in Great Britain. The majority were established in the 1930's, initially they ensured that water levels were managed to benefit farmers, more recently they have been involved with reducing risk of flooding to people and property. The Inland Drainage Board has the power to raise levies a drainage rate charged on landowners with an IDD and a special levy charged upon local authorities in the area. The vast majority of the IDB's budget is raised from the Special Levy on the district councils in the IDD area. The local authority representatives have 51% of the vote. For more information see Appendix 1.

3. The River Ouse Inland Drainage District

3.1. The history of how the IDD's in East Sussex were established is not well understood other than they were abolished after World War 2, subsequently managed by differing organisations, before ending within the EA's remit. Unfortunately, there is no definitive map of the exact location of the Ouse IDD.

3.2. The total area of the Ouse IDD is 5516 ha, there are 50 km of maintained IDD water courses, 3 pumping stations, 3 manually operated sluice gates, 2 manually operated tilting weirs, 30 board dams and 15 other level control structures. The area covers Lewes, Mid Sussex and Wealden District Councils, although the levy currently apportioned to Mid Sussex and Wealden is £26K in total, compared to Lewes District Council of £120k reflecting the amount of the IDD in the local authorities administrative areas. There are relatively few large landowners which will affect the administrative costs of managing an IDD.

4. Wider East Sussex IDD's

4.1. Since July 2012 the EA have been meeting with officers from the local authorities across East Sussex to explore the following possible administration options:

- Three separate IDD's and three separate 3 IDB
- Three separate IDD's and one IDB
- Ouse IDD/IDB and a Pevensey/Cuckmere IDD/IDB

4.2. There is also the option of not establishing an IDD as the size and risk of the IDD's are very different. In assessing the option for Lewes the key issue is flood risk.

5. The Flood Risk within the IDD

5.1. Lewes, Newhaven and Uckfield sit within the Ouse IDD and there are a number of villages that are sited on higher ground above the IDD. The A259, A26 and A27 cross or run close to the IDD and the Lewes to Newhaven and Seaford railway line crosses it. The vast majority of the assets in the IDD are at a risk of 1:200 (an event that is likely to occur once in 200 years) or less, of flooding and sit above the flood plain

5.2. The water courses within the Inland Drainage District (see Map 1) are closely linked to the main river network which includes the River Ouse, River Uck and several streams and the Glynde reach. The majority of the IDD water courses are relatively short. The River Ouse flows south and discharges into the sea at Newhaven. Part of the IDD lies within the South Downs National Park and there are two Sites of Special Scientific Interest, see Map 1.

5.3. The main source of flood risk in the Ouse valley is the from the river Ouse and its tributaries, at times of intense rainfall and high tides there is a risk of overtopping or bank failure. If flooding occurs from the Ouse, initially the flood plain and the IDD water courses would be inundated. Though the IDD water courses would not affect the potential for higher areas and associated infrastructure from being flooded, the IDD water courses and pumps help to drain the flood affected areas as the levels of water in the River Ouse drop. This is particularly the case at the following locations:

- Fields just north of Lewes on the east bank
- The area known as Lewes Brooks, presently drained by the Celery Sewer and the IDD operated pump at Rodmell, is likely that winter flooding, which already occurs here, will be more extensive and last longer and affect the Lewes Brooks Site of Special Scientific Interest and local farm land. The Ranscombe Lane IDD operated pumping station, would need to continue to operate to ensure that the Lewes to Eastbourne railway line is protected from flooding. The long term future of this pump requires discussions between Network Rail, the Environment Agency and local landowners.
- There is a possibly one property within the IDD that may flood, and there are a number of gardens and possibly playing fields, including the Stanley Turner grounds that might flood.

- The potential impact of flooding has been considered and Map 2 and 3 indicate those locations where Lewes District Councils land holdings lie near or in the Ouse Inland Drainage District. The map illustrates that though there are areas of industrial land owned by LDC lying in the IDD, the risk of flooding to these areas, is not from the IDD, but rather river flooding or surface water flooding. There schemes currently being developed to protect these industrial areas from fluvial flooding.

5.4 There is a potential for the poorly maintained drainage network to impact areas, such as the Stanley Turner Grounds in Lewes and other recreational lands in Lewes and Newhaven owned by Lewes District Council. However, as Riparian Owners, the council will, if necessary have the ability to improve drainage ditches in the immediate vicinity of these land holdings.

5.6 Neighbouring authorities such as Wealden and Eastbourne have agreed to set up an IDD, and ESCC, as the Lead Local Flood Authority, are keen to establish IDD's as it assists in delivering their objectives and potentially helps avert enforcement action, which would be undertaken by the lead local flood authority. The positions of Wealden and Eastbourne are different with higher levels of risks than Lewes District Council.

5.7 Adur and Worthing District Councils chose not to establish an IDD as they believed they could more effectively use the special levy by targeting spend on areas of greater risk of flood without the administrative costs of an IDD. Arun District Council has also decided not to establish an Inland Drainage District. Instead they are working with Environment Agency to identify those water courses that are necessary to mitigate flood risk. They are using the money previously paid to the Environment Agency to employ an engineer, to carry out inspections of water courses and management of flood risk work and planned land drainage maintenance works.

5.8 If Lewes District Council did the same, it would be increasing active flood management in areas of greatest need, not necessarily restricting it to a flood plain with few valuable assets at risk of flooding.

5.9 At a later date should an IDD be found to be needed it could be established. It is, however, difficult to disband an IDD.

5.10 Should the second recommendation be accepted then the funds passed to the Environment Agency for managing the Inland Drainage District, in the region of £124K, could be targeted on a range of surface water, fluvial, ground water and coastal erosion schemes. As central government funding of flooding and coastal management schemes arise from Flood Defence Grant in Aid, this £124K could be used as "seed money" to lever in additional funds.

5.11 It should also be noted that if there is no Inland Drainage District, landowners are not required to pay a Drainage Rates. Land owners will be in control of this money to spend this money in a way which they wish; including maintaining those ditches which are their responsibility.

6. Financing of the Ouse Inland Drainage District

6.1. Appendix 1 briefly explains what an IDD/IDB is and how they are financed. The appendix also explains what an IDB does and more specifically how the Ouse IDD is presently operated.

6.2. According to the EA expenditure on the operation of the Ouse IDD in 2013/2014 was:

Income	Year ending 31st March 2014 £
Drainage Rates	£12,378
Special Levies	£144,004
Contributions from the Environment Agency	£20,000
Total Income	£176,382
Expenditure	
Contributions to Environment Agency	£58,353
Pumping stations, sluices and water level control structures	£100,000
Administration	£24,949
Other expenditure	£10,000
Net Operating Surplus/(Deficit)	(£16,920)

6.3 The Special Levies payable in 2014/2015 are:

Name of Local authority	£
Mid Sussex District Council	£11,640
Wealden District Council	£8,834
Lewes District Council	£123,530
Total	£144,004

6.3. The previous three years accounts demonstrate that the Ouse IDD has operated with a deficit, whilst the reserves held by Ouse IDD are less than £6,000.

The capital costs to replace a drainage pump may cost from £300k to £600k, depending on size and location. Such a financial risk would require the IDB have to seek funding from the landowners and those local authorities who are members of the IDB. Though funding may also be available from DEFRA through Flood Defence Grant in Aid monies

6.4. The Environment Agency has not undertaken a review of local Levy and drainage rates for many years. Lewes District Council's Levy for 2014/2015 was unchanged from 2013/14, and has increased by 1.9% in total since 2010/11. Any new Inland Drainage Board may wish to increase the special levy and drainage rates to reduce the deficit and to establish a reserve to ensure they have sufficient funds to cover the costs of replacement pumps.

6.5. From research of other Inland Drainage Board there is a view that the way the Environment Agency deliver water level management is expensive and it maybe that costs could be reduced by reviewing which water ways are managed by an Inland Drainage Board.

6.6. In the autumn of 2012 the Environment Agency consulted with 355 affected landowners and tenants – drainage rate payers within the Ouse IDD, of which only 7% responded, predominantly larger landowners. The majority of the 7% wanted the Ouse IDD to continue to be managed as an IDD with a new Inland Drainage Board to be established to take over the administration of the Ouse. The Environment Agency have recently written to all drainage rate payers in the Ouse IDD explaining the situation and suggesting they contact their district councillors to make their views known. Please see copy of letter in Appendix 2.

7. Roles and responsibilities for flood management

7.1. The key functions of an Inland Drainage Boards is to manage the drainage of water levels and reduce the risk of flooding and raise funds to do so from the landowners and local authorities. Much of their work involves the maintenance and improvement of designated water courses and related infrastructure including pumps and sluices. They can prohibit the obstruction of water courses and give consents to construct or alter a weir, bridge, culvert or embankment – thus alleviating the need for enforcement action from East Sussex County Council.

7.2. Without an Inland Drainage Board the responsibility for the drainage of the area and maintenance of water courses rests with the land owners. Enforcement role of the Land Drainage Acts will pass from the Environment Agency to East Sussex County Council as the Lead Local Flood Authority. Lewes District Council is responsible for its land only.

8. Risk Assessment

8.1. Appendix 3 provides an overview of potential obligations and duties for the agencies involved with water management within the Ouse inland Drainage District. The table assess these duties and obligations with and without the Ouse IDD.

9. Financial Appraisal

9.1. The special levy paid by Lewes District Council is the main source of funding for the Ouse IDD. In 2014/15 Lewes District Council will make a payment of

£123,530. The special levy forms part of the Councils net annual expenditure and there is no specific grant funding from the Government although the cost was taken into account by the Government when it calculated the Council's baseline funding (annual revenue support grant and business rates retention amounts) as part of the local government finance settlement.

9.2 If the IDB is dissolved, the Council would no longer pay a Levy and this amount could be reallocated to a budget for delivering a more focussed means of managing and mitigating the risk of flooding across the district rather than just within the IDD. A Reserve could be established from any underspends within this core budget to be used as contributions to unlock central government funds for larger flood and coastal erosion mitigation projects. Assuming that the IDB is dissolved in 2015/16, the first year that a local budget could be established would be 2016/17.

9.3 There is a risk that, when the Government resets the financial settlement in 2020 (the first reset date) the Council's assumed spending will be reduced by £123,530 if an IDB is not in place at that time, with a consequent reduction in external baseline funding receivable by the Council at that time. To clarify this situation both East Sussex County Council and Wealden District Council have written to the Department of Communities and Local Government but no response has been received.

9.4. In terms of the options and in particular a wider consortia approach to delivering an Inland Drainage District function across East Sussex, there is some concern that as Lewes District Council would hold significantly less influence it would have less control on setting the levies it would have to pay.

10. Legal Implications

10.1. If an IDB is established it is an independent legal entity and as such if established it would carry its own legal responsibility and duties. It would also be free to appoint such legal advisors as it saw fit and as such LDC would not have to carry any legal burden if an IDB is established. However, during the process of establishing a new IDB there will be costs and legal and specialist support needed which will be a burden to LDC.

10.2. If there is no Inland Drainage District Lewes District Council has powers under the Land Drainage Act to undertake works to resolve or improve drainage problems. However we would be unable to recharge for the landowner for these works

Sustainability Implications

I have completed the Sustainability Implications Questionnaire as this Report. I have completed the Sustainability Implications Questionnaire and there are no significant effects as a result of these recommendations (*or*)

I have completed the Sustainability Implications Questionnaire and found the following significant effects which I propose to mitigate/enhance in the following ways:

- 1) That some farm land misbecome difficult to cultivate and Lewes Brooks SSSI maybe come inundated. This can be mitigated by working with farmers, land

owners, Natural England and Environment Agency to ensure the risks are correctly managed.

Risk Management Implications

I have completed a risk assessment

The following risks will arise if the recommendations are not implemented, and I propose to mitigate these risks in the following ways:

- 1) That instigating an Inland Drainage District based upon its present boundaries may result in monies provided by Lewes District Council to an Inland Drainage Board not protecting the necessary properties and assets in the district.

The following risks will arise if the recommendations are implemented, and I propose to mitigate these risks in the following ways:

- 1) Some locations currently benefiting from the existing IDD operated by the Environment Agency will need further discussion with landowners, farmers and the EA and us to seek long term management of some critical assets.

Equality Screening

I have completed an equality screening assessment and the following resulted:

- 1) The potential negative equality impacts identified were low. There is an opportunity here to utilize funds in a way that protects residents and business from flooding and coastal erosion which could be considered a positive impact. Should the cabinet approve the recommendation then there will be a need to consult further with a range of stakeholders to explore potential benefits in more detail.

Background Papers

None

Appendices

Appendix 1 IDBs An Introduction

Appendix 2 Appendix 2 Letter from EA to Drainage Rate Payers in the Ouse IDD

Appendix 3 Risk Matrix for Ouse and LDC