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Deputy Permanent Secretary
Economy, Skills and Natural Resources
Welsh Government
Cathays Park
Cardiff

26 September 2016

Auditor General for Wales's report on Coastal Flooding and Erosion Risk Management in Wales

Dear Deputy Permanent Secretary,

Thank you for your correspondence detailing the Welsh Government's response to the Auditor General for Wales's report on Coastal Flooding and Erosion Risk Management in Wales. The Committee considered this response alongside the Auditor General's report at its meeting on 19 September. The Committee had a number of concerns and queries about the detail of your response.

1. In response to recommendation 1a, there is a reference to all the recommendations within the previous Wales Audit Office Report "Coastal Erosion and Tidal Flooding Risks in Wales 2009" being complete and signed off by August 2015. The Committee would welcome clarification of the Welsh Government's position. Whilst we recognise that some of the issues covered by previous recommendations may be areas for continuous improvement and that there have been changes in the overall policy/strategy context since 2009 it appears from the Auditor General's report that there is still more to do to discharge fully some of the previous recommendations, for example:



- a. working with the main stakeholders to engage with communities at risk and give them a clear understanding of the Welsh Government's strategic approach (paragraph 1.16 in the latest report).
 - b. developing a strategy on managed retreat (paragraph 2.7 in the latest report and reinforced by recommendation 3).
2. Furthermore, while the Committee welcome that the Welsh Government has indicated that it will be publishing an update on the Coastal Review Delivery Plan later this year, but the response suggests that it will be the review of the National Strategy in 2017–18 that will see the Welsh Government take stock of progress in response to the issues raised by other reviews. This is not quite in line with the Auditor General's recommendation to include any residual issues in the Coastal Review Delivery Plan.
3. On recommendation 1b, the Committee noted the £150 million planned investment, through the Coastal Risk Management Programme for the period 2018–2021. However, the Auditor General's report concludes that 'The Welsh Government has identified additional funding for coastal protection but has not developed a long-term funding strategy beyond 2020–21 or helped councils to secure options for external funding'. We would like the Welsh Government to give a clearer commitment regarding the development of a strategy to identify long-term funding for coastal protection. Members also noted that the Coastal Risk Management Programme will require councils to contribute 25 per cent of the costs, whether from their own funds or by generating contributions from other sources.
4. Recommendation 3 calls for the Welsh Government to '*...develop options within the national strategy to help councils prepare communities where it is likely that managed retreat will be required. These options should consider the legal and financial arrangements necessary to relocate people and assets away from flood risk*' and also to '*set out how it will communicate the implications of its risk-based approach to the public*'.

Your response sets out the Government approach of developing a coastal adaptation toolkit, which will set out best practice and examples of how other areas have communicated difficult messages, particularly around



managed retreat. The Committee felt strongly that the approach outlined was insufficient to meet the thrust of the Auditor General's recommendation, for example there appears to be little information/reflection on options and the legal and financial arrangements necessary to relocate people and assets away from flood risk. We would welcome reassurance about the Government's commitment to action in this particular regard.

Finally, the Committee would be grateful to receive a copy of the update to the Coastal Review Delivery Plan when published. The Committee will consider that update and your further comments on the points raised above before deciding on its approach to any further scrutiny of this topic.

I look forward to receiving your response.

Yours sincerely,

A handwritten signature in black ink that reads "Nick Ramsay". The signature is fluid and cursive, with a long horizontal flourish extending from the end of the name.

Nick Ramsay AM
Chair

