



West Midlands
Business Council

Wye and Usk Flood Management Plan Submission from the West Midlands Business Council

January 2009

West Midlands Business Council

The West Midlands Business Council (WMBC) is a UK First – the first time independent business representative organisations have chosen to come together to speak with one voice on the key West Midlands regional business issues. No other region of the UK has such an organisation;

WMBC is an umbrella organisation for the whole West Midlands region – covering Herefordshire, Shropshire, Staffordshire, Warwickshire, & Worcestershire together with Birmingham/Coventry/Wolverhampton and the West Midlands conurbation.

The member organisations of WMBC are:

Asian Business Forum
Association of Colleges
British Ceramic Confederation
Business in the Community
Chartered Institute of Building
Co-operatives West Midlands
Country Land and Business Association
Engineering Employers' Federation
Federation of Small Businesses
Heart of England Tourism
Institute of Chartered Accountants in England and Wales
Institute of Chartered Secretaries and Administrators
Institute of Directors
Institution of Civil Engineers
Midland Association of Restaurants, Caterers and Entertainment
National Farmers' Union
National Federation of Retail Newsagents
Royal Institution of Chartered Surveyors
Stratford upon Avon Town Management Partnership
UK IT Association

West Midlands Chambers of Commerce
West Midlands Developers Alliance
West Midlands Higher Education Association
West Midlands Minority Ethnic Business Forum

The West Midlands Business Council's Rural Economy Group is part of the West Midlands' Rural Affairs Forum structures.

Summary

The West Midlands' rural business community is concerned with the proposals as developed in the flood management plan. In particular, the business community believes that a co-ordinated long term flood prevention and management strategy is not evident from the CFMP documentation.

This submission supports the submissions from the Country, Land and Business Association, the National Farmers Union and other organisations in calling for a systematic and comprehensive flood management programme that does not lead to the loss of valuable agricultural land that would be to the detriment of the regional economy – and the UK's needs to achieve the objective of food security.

Economics

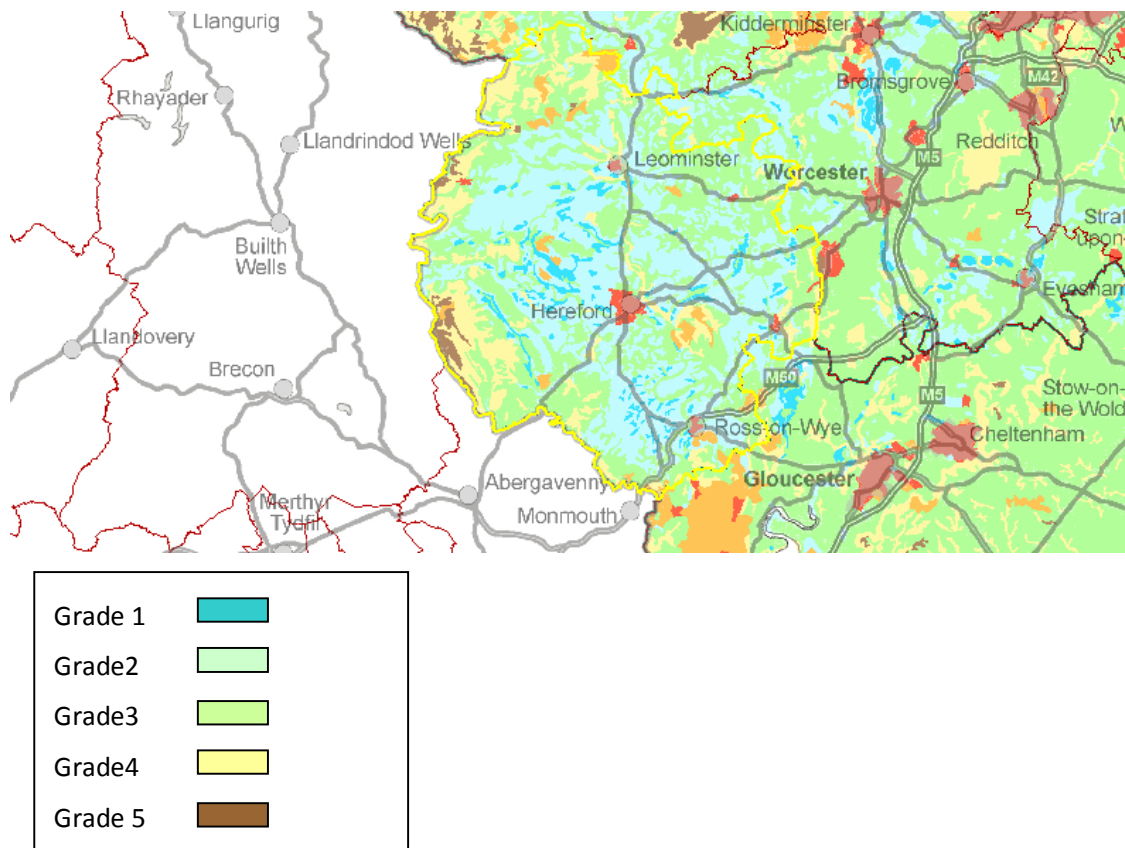
The CFMP should stress the importance of agricultural land within the catchment. A sustainable agricultural industry in the UK is critical. In light of increasing populations, evolving human diets and climate change, we will become increasingly dependent on our agricultural land for food production. The economics of agricultural commodities are changing rapidly and therefore it can be difficult for us to appreciate the importance food security will have in the future.

When flooding occurs on agricultural land there are also knock on effects on the local economy, if agricultural operations cease and crops are destroyed or grazing capability lost the associated and ancillary industries suffer. Given that this catchment is largely rural there is potential for a significant economic impact from flood events.

The Flooding Foresight work concluded that there would be much more flooding in future. It made the projection that agricultural land would experience the greatest increase in the level of damage in future. We have reservations about the CGMP's lifespan of 100 years. There are so many uncertainties about the future of the agricultural industry at present that it's difficult to predict where we'll be even 12 months from now.

About 57% of Grade 1 agricultural land in England lies below the five-metre contour, where it may be subject to flooding, inundation, erosion and salinisation of fresh water, and therefore, a loss of our most productive land, thereby reducing our capacity to produce food. Actively abandoning areas of productive agricultural land and thus

reducing food production capacity cannot be regarded as a good legacy. We wish to highlight the risks of abandoning areas of land at a time when the crisis in food supply means Britain will almost certainly need the land to produce food. Food security is now rising up on the political agenda, but has not been taken into account when making flood defence policy. See the figure below shown in the agricultural land classification for Herefordshire.



We are also concerned over the issue of cost on property value which could blight many homes. Many people bought properties with the understanding that the defences would be maintained. Now many face loss of value to their properties and difficulties with insurance.

The CFMP does not explore the impact of the policy choices on water quality. Many rural businesses are reliant on clean water for part of their business process and if frequency of flooding were increased, longer periods of disruption to water quality could ensue. Horticultural businesses are particularly vulnerable, as fresh vegetables can be ruined by exposure to filthy floodwater.

Maintenance

River maintenance is a key mechanism for controlling flood events. The EA must commit to maintaining watercourses before rural businesses can consider other flood risk management options. We welcome the CFMP's commitment to maintain the watercourses, drainage network and local flood defences in some policy units but think that this approach ought to be extended.

While rural businesses appreciate that they also have maintenance responsibilities they are seeking a co-ordinated and supportive approach to maintenance from the EA. Without tackling this basic maintenance issue the basis of the CFMP is undermined. This EA policy to save funding will not only cause flooding but will cost more in the longer term when rivers need to be brought back into a regular maintenance regime. We also urge the EA to fully consult IDB's and local authority land drainage officers before further reductions in maintenance are put into action.

We would urge the Environment Agency to consider practices that delay and reduce runoff and sediment transport could reduce peak flows but possibly increase the risks of flood peaks coinciding with some tributaries downstream. The impact of future changes in land use management across the CFMP is also uncertain.

Environmental Stewardship

There is a suggestion within the draft CFMP that opportunities exist to create flood storage areas (or other such schemes) through Higher Level Stewardship (HLS). This demonstrates a lack of understanding of Environmental Stewardship and its current priorities. Whilst the strapline suggests HLS is open to all landowners, it is a competitive scheme driven by targets set with the aim of achieving specific biodiversity objectives within a finite budget.

In addition Environmental Stewardship compensates for income foregone, flood storage areas will require management which has not been factored into HLS payment rates. Finally, HLS is a 10 year scheme, the CFMP a 100 year plan, therefore we can not see how an overarching strategic document can be so prescriptive given the potential uncertainty regarding continuous participation in a scheme with a comparatively short term nature.

It would be wrong to view this fund as the principal means via which flooding can be reduced within the Severn catchment. It should also be recognised that flooding is only a secondary objective of Environmental Stewardship and will only be considered as a spin-off benefit from management designed to achieve the five primary objectives.

Annual Average Damages for Agriculture

Farmers who farm in the floodplain are well used to managing the risks of farming near the river and accept that some years will bring losses due to flooding. However the economic impact of flooding through crop losses, other agricultural losses can have

knock on impacts to ancillary businesses far in excess of the estimates within the CFMP.

It is a common misconception that farmers insure their crops and will therefore be making insurance claims to off set their losses. This is not the case as most insurance companies will not insure standing crops. This could be the reason behind the lack of data on economic losses.

Soils

It is a dangerous to assume that intensification of agricultural land always results in soil compaction. Where the principles of good soil management are practiced soil compaction is unlikely to result. It is important to note that it is not in a farmers' interest to damage soil structure as their land would not be particularly productive.

SuDS

The CFMP fails to address the installation of SuDS in rural areas. Many villages have developed rapidly in recent years. There has been little thought given to the necessary drainage infrastructure and farmers are suffering as a result. The Action Plans should include a commitment to tackle surface water drainage issues in rural settlements in addition to the larger urban areas.

Re-wetting and habitat creation

We would caution against the recommendation of large scale re-wetting schemes without full prior consultation with landowners. Wetlands play an important role in the hydrological functioning of catchments but their exact role depends on the wetland type, location in the catchment and the functioning of the catchment. In terms of the role of wetlands, they are best at providing a useful function (such as flood storage, biodiversity etc.) if they are designed as such. Flood storage areas are best when they are only subject to temporary flooding thereby optimising their storage capacity. Wetlands with high water tables have limited flood storage potential as the high water levels can severely compromise storage capacity. (To use a common analogy a wet sponge cannot absorb more water.) Breeding waders look for seasonal wet areas, therefore permanently wet wetlands are unlikely to fulfil all of their habitat and lifecycle needs.

Specific changes in the draft CFMP

The following set of proposals relates to the changes that we recommend are made to the CFMP:

Page 6;

There are some concerns about the wording of policy 6. Where options increase the frequency of flooding to deliver benefits locally, a planned approach must be taken with

early consultation and agreement with the rural businesses concerned. Fair and reasonable compensation should be paid where there is a change of use of the land and where income earning potential and value is affected. These agreements could be part of environmental schemes or dedicated flood defence expenditure. Highly productive agricultural land should not be flooded as it is essential for food production and food security.

Page 13

The bullet points outlining rural funding streams and agri-environment schemes needs clarification. It would perhaps be clearer if policy that applies to both England and Wales were outlined first. Then the grant schemes available in Wales and England could be listed. For example CAP and SPS apply to England and Wales but the scheme details vary considerably. Cross compliance applies to England and Wales but with different requirements. Environmental Stewardship has two strands Higher Level and Entry Level Stewardship (they are roughly equivalent to Tir Gofal and Tir Cynnal), an organic strand is also available. Wildlife Enhancement Scheme agreements are being transferred into Higher Level Environmental Stewardship Scheme agreements. England Rural Development Plan is now Rural Development Plan for England (RDPE) and is managed by Advantage West Midlands.

Page 21

The paper should outline the relationship between CFMP sub-area boundaries and the Policy Units contained within the Policy Appraisal. It would also be useful if a map of policy units were included. Clarification is required of the purpose of sub-areas if most of the actions within the Policy Appraisals are outlined according to Policy Units.

Page 39

Environmental Stewardship Scheme (ESS) may not be able to be used to reduce run off from rural areas as there is limited potential to amend schemes for flood risk management for landowners who have already signed up to an agreement.

The agri-environment schemes open to farmers will increase environmental management and are a potential vehicle through which agricultural land can be used to mitigate flood risk. The Higher Level Scheme could prove to be a valuable tool in achieving flood management (re-creation of flood plains, etc) with the landowner, wildlife and wider community benefiting. However, to be successful on a catchment scale the HLS needs to be adequately funded on a long term basis, with additional funds from, for example, the Flood Defence budget.

Funding is a key issue. The measures used to properly assess options available needs to take all factors into account. Current cost/benefit analysis used to determine flood defence spending is fundamentally flawed – taking little account of the social costs, community views, the effect of ‘blight’ on buildings and lives in high flood risk areas or

the historic and cultural importance of buildings. Nor does it adequately value agricultural production and the importance of land for the long term security of food and fuel in the UK.

Considering that a large proportion of the catchment area is within England there is a lack of information about the agri-environment schemes and advice available to English farmers. The paragraph needs more balance and should acknowledge the agri-environment work that is being undertaken in England. It should at the very least contain an explanation of the current schemes that operate including ELS, OELS, HLS, OHLS and EWGS. The Organic Farming Scheme closed to new applicants in March 2005.

The plan regularly refers to the Welsh agri-environment schemes (Tir Cynnal and Tir Gofal) rather than the English Schemes. We propose it would be simpler just to refer to 'appropriate agri-environment schemes'.

Catchment Sensitive Farming initiatives operate on the Rivers Wye and Lugg and a description of them should appear in this section.

The RDPE schemes currently under development by Advantage West Midlands should also be referred to.

Page 39

The Lower Wye has very fertile agricultural land grade 1-3 , it is essential that this land remains productive because of food security concerns. The Lower Wye has productive arable land, farmers are familiar with winter floods, however, summer floods have high cost implications to farmers when crops are lost close to harvest.

The value of agricultural land and other economic assets are generally based upon the current day activities. Agriculture is undergoing rapid change and land use will undoubtedly affect its value in the longer term. In an ever-more unsettled world, the need for UK produced food and fuel/energy from grown crops may become paramount and is the most sustainable option. There is a tendency to regard agricultural land as a commodity that can be lost in the name of flood management without due regard for true sustainability and the long term security of this country.

As recognised in the document, a significant area covered by the plan is rural and the strategy needs to better demonstrate that rural businesses and communities will be given the same value as urban areas. Agriculture and tourism contribute significantly to the economy of the area and need to be given stronger recognition.

2.6.2, Page 39

This paragraph currently confines itself to comment on the ALC and poor farming practices. Reference to the main farming sectors and the high standards of agricultural management practices by many of the areas farmers have been omitted. This section must have a summary of the main farming sectors that can be found across the catchment.

Table 2.2, Page 42

We question whether the area of arable land will increase due to the removal of setaside. There are many other factors to examine including commodity prices and input costs.

Our current view is that there will be no significant increase as most suitable land is already in arable production. The land put under set-aside was usually the poorest and most marginal land on the farm. It also important to remember that under some circumstances farmers were allowed to cultivate set-aside land, so it is misleading to think that all of this land has been left uncultivated for wildlife. In addition set-aside has been used to create watercourse buffers and it is unlikely that farmers would wish to remove them.

Page 43 para 6

The current revision of the West Midlands Regional Spatial Strategy (RSS) proposes large scale expansion in house building within the region. The CFMP needs to focus on how these properties will be protected from flood risk.

Page 74 para 2

Changing agricultural land can reduce diffuse pollution. It is not in farmers and land managers' interest to wash nutrients into watercourses; fertiliser prices are high and farmers cannot afford to waste this.

Page 76 para 4

It is important that farmers do not lose their rights to abstract water because of the increase pressure from other users. Water abstraction is extremely important for some sectors of agriculture for example, potato and vegetable crops.

2.9.3, Economy. Page 80

This paragraph should include reference to the West Midland Economic Strategy which aims to guide economic development in the West Midlands Region. It should also include reference to the rural renaissance zone and the work to regenerate the rural economy in Herefordshire and other rural areas of the West Midlands Region.

Page 145 para 3

The consultation document estimates that Annual Average Damages (AAD) for agriculture in the River Wye and Usk Catchment is £3.5 million per annum (concerns have been raised about the accuracy of this figure). We would like an explanation of how DEFRA arrived at their figures for flood damage as rural areas host around 30 per cent of England's businesses which earned at least £325 billion in 2005. As stated in Dr Burgess' report, 'England's rural areas: steps to release their economic potential.'

Page 185 para 2

This paragraph is misleading as plough direction can increase or decrease soil erosion. If stocking levels are increased then this may cause soil erosion, however, decreased levels will not.

Page 223

Flood damage will increase in the Lower Wye and as this is an important area for food production, the EA should look to protecting fertile agricultural land as food security is an increasingly important issue.

Page 242

Reference to English Agri-environment schemes and initiatives is required within the land use objective.

Page 293

We have concerns about the wording of Policy choice 6 and we request that this is reviewed and be re-categorised as a Policy Choice 4 (preferably) or Policy Choice 3.

The current wording may cause misunderstandings and could alarm local communities. EA should clarify the wording of policy 6 so that EA intentions are understood. All communities must be consulted when the EA decides to make better use of natural floodplains to store floodwaters thereby reducing flooding down stream. Where natural floodplains are used as floodwater storage then compensation should be given to the landowner/farmer. Lowland areas are extremely important and essential to farmers as all winter feed is made here and lambs are also finished.

Page 333

Any study undertaken must involve land managers and farmers when looking for storage opportunities. Land managers and farmers are ideally placed to help prevent downstream flooding through managed flood alleviation projects, however there must be consultation with all those affected and landowners must be properly compensated. There is a huge potential market if the Government can be flexible enough to encourage schemes that can save millions of pounds downstream.

There is high uptake of Environmental Stewardship Scheme in the West Midlands, around 50% of the total area of land. Farmers committing to this five year scheme, find there is limited potential to amend schemes for flood risk management.

Farmers must be engaged with the process and good advice and guidance will help. Much of the land area is in private ownership and it is vital to properly engage with landowners at an early stage; an example of this is, the aspiration to re-instate the functional floodplains which is unlikely to be realised without full co-operation of the landowners, coupled with a benefit to them in taking land out of production for flood alleviation /biodiversity enhancement. They should not be expected to sacrifice their land for the benefit of the wider community/nature without adequate recompense.

The study into the likely impact of land management changes should include the following objective: 'Explore the potential effects on the local rural economy'.

The Action seeks opportunities to work with others to store water and manage runoff. An objective that reads: 'Explore the impacts of land management change on the rural economy and aim to secure economic benefit from future land use change' could also be included

Page 334

Any development in this area needs to be carried out in a sustainable way and not add to flood risk; drainage from these sites has to be considered. Development on the flood plain can take place as long as the design of the development fits in with the flood plain and suitable drainage is carried out. Any new development must deal with the issues of surface water and sustainable drainage, existing areas may also need to be reviewed with the amount to surface run off, as urban areas contribute to flooding. Where there are new developments in the Lower Wye then surface water run off should be mitigated to reduce peak flows or delaying the peak of flood water.

We hope the EA will also advise on drainage schemes so that water from urban areas does not over load drainage systems and lead to flooding of rural areas.

Page 335

Landowners, farmers and local communities must be consulted about the identification of storage locations. Farmers may consider winter storage schemes if they can see benefits to the local community. Winter storage reservoirs can also provide irrigation water in the summer months.

The impact of flood storage upon agricultural activities, rural businesses and neighbouring land must be assessed. If there are limited economic benefits from the study, compensation should be paid. The EA needs to be clear about its objectives of land management schemes and the proposed benefits to farmers, the rural economy

and to flood risk management. Any new development in this area must have adequate drainage that will not add to the peak flow of flood water.

Page 338

We believe it is important that a flood awareness plan is developed so that organisations and individuals understand their responsibilities.

P339

The local community flood plan should link into the flood awareness plan developed on page 338. It is extremely important that communities are involved in these plans for them to work effectively.

Page 342

We welcome EA Wales providing development control advice for new developments. Any development must consider drainage and endeavour to reduce surface run off by sustainable methods. Where there are new developments in the Hereford area, surface water run-off should be mitigated to reduce peak flows or delaying the peak of flood water.

We believe it is extremely important that urban areas manage water effectively through sustainable drainage and development control advice

Conclusion

While the CFMP goes some way to address the need for a comprehensive flood management programme, it does not address a range of options at the Environment Agency's disposal to ensure such a programme is effective.

For instance, the maintenance of a wider cross section of water courses is not considered in the draft CFMP. The High Level Stewardship (HLS) does not cover all rural businesses that wish to take part and therefore funding mechanisms need to be explored more thoroughly so that rural businesses can work in partnership with the Environment Agency.

Environment Agency advice on building in floodplains is critical for Herefordshire. Under proposals presented by the Government which will be considered by an Examination in Public in April 2009, there is a potential for significant development of housing in the floodplains. The engagement of the Agency will be critical in this process.

Rural businesses are facing the problems of the economic downturn and rural firms in many parts of the West Midlands region are still recovering from the summer 2007 floods. Therefore this consultation is of paramount importance to rural businesses so that all that can possibly be achieved to reduce the risk of flooding can be done.

We are therefore disappointed that the detail in this draft CFMP is not robust enough but we are willing to do all that we can with the Environment Agency so that the plans are in place to ensure rural businesses can not just survive but thrive – creating jobs and contributing to the UK economy.

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