GM HOUSING FIRST, PLANNING AND INFRASTRUCTURE COMMISSION

Date: 23/10/2025

Subject: Flood and Water Management update

Report of Jill Holden (Greater Manchester Flood and Water Management Programme Manager)

Purpose of Report

This paper provides a briefing to the Commission on:

1. Flood and Water Management Group session with Greater Manchester regional Flood and Coastal Committee (RFCC) members (3 October)
2. Government response (14 October) to the July 2025 consultation on the flood risk investment framework from April 2026
3. The Environmental Audit Committee report to Parliament on Flood resilience in England (13 October)

Further detail will be provided verbally at the Commission on 23 October.

Recommendations:

Members are requested to:

1. Note the contents of the paper and priorities.
2. Identify specific issues or areas where members would like to receive additional information and briefings.

Contact Officers

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1.0 Flood and Water Management Group

1.1 The terms of reference for the Housing First, Planning and Infrastructure Commission (HFPIC) were updated to include the three Greater Manchester (GM) Regional Flood and Coastal Committee (RFCC) members who are nominated by the GMCA on an annual basis.

1.2 The Flood and Water Management Group (FWMG) is a subgroup of the Housing First, Planning and Infrastructure Commission (HFPIC) that brings together the three GM RFCC and HFPIC elected members, with the Portfolio lead for Housing First, Planning and Infrastructure and the chair of the North West (NW) RFCC in advance of formal RFCC committee meetings.

1.3 A Flood and Water Management Group session was held on 3rd October to discuss and agree NW RFCC items for approval. To enable GM RFCC members to reflect GM's position at the NW RFCC. The main item for consideration was the Local Levy increase.

1.4 Actions are detailed in **Annex A**, summary by item below.

Local Levy Vote: The group debated options for increasing the local levy (0–5%), which funds flood and coastal risk management. All local authorities pay the baseline, but the increase is above this. There was support for a 5% increase, citing rising flood risks, the need for infrastructure investment, and the fact that the funding requests are at an all-time high. Concerns were raised about the impact on financially struggling councils (e.g., Trafford, Wigan), and the need for fairness in distribution.

- **Decision:** General support for a 5% increase, but with a request to consider support for councils facing financial hardship. Further

References

[1] Flood_and_coastal_erosion_risk_management_funding_policy
[2] committees.parliament.uk

conversations with finance leads are planned before the final vote on 24 October.

RFCC Business Plan Proposal (£150k for Peatland Restoration): Proposal to allocate £150,000 from the local levy fund, for peatland restoration across three partnership areas. Support was expressed, especially for the carbon sink benefits and strategic importance for flood management. Mayor Dennett asked about Natural England's involvement and the potential for biodiversity net gain (BNG) funding.

- **Decision:** Unanimous support for the proposal, with a request to investigate Natural England's contribution and BNG funding opportunities.

Quick Win Review (Funding Allocation): Review of the "Quick Win" funding pot, which provides seed money for local flood projects. Two options for allocation were discussed: (1) even split between partnerships, (2) split based on surface water flood risk (which would benefit GM). Members preferred option 2 but acknowledged it may be difficult to get consensus across all partnerships.

- **Decision:** GM members support option 2 (risk-based allocation), but recognize further negotiation is needed.

Northwest Property Flood Resilience Funding (Prioritisation Methodology): Funding set aside for property flood resilience in areas unlikely to receive large capital schemes. The proposed prioritization methodology includes flood risk, history, community engagement, deprivation, and other factors. Cllr. Quinn highlighted the issue of insurance affordability in deprived areas.

- **Decision:** No opposition to the methodology; group agreed to proceed as proposed.

References

[1] Flood_and_coastal_erosion_risk_management_funding_policy
[2] committees.parliament.uk

Integrated Water Management Plan (IWMP) Update: Aimee Brough presented an update on the GM Integrated Water Management Plan, including partnership progress, focus areas (sustainable growth, catchment modelling, water quality, stakeholder engagement), and a case study in Hindley/Wigan. The Hindley action plan includes flood warnings, EA scheme funding, emergency response, natural flood management, drainage upgrades, development controls, and policy advocacy. The surface water pipeline now includes 139 projects across GM, with seed funding available for early-stage work.

- **Decision:** Continued development of the IWMP, with emphasis on partnership, evidence-based prioritization, and addressing long-standing issues (e.g., Boothstown in Salford).

2.0 Reforming flood funding consultation – Government response

2.1 Government response[1] to the July 2025 consultation on **reforming flood funding approach** from April 2026, to better reflect environmental, social, and economic priorities, was published on the 14 October. It sets out how government funding will be allocated to flood and coastal erosion risk management (FCERM) projects. The main headlines are:

- New, **simpler funding model**: 100% for refurbishments, 100% for first £3M of new projects, 90% above that.
- Prioritises projects by value for money (benefit-to-cost ratio), with **partnership contributions boosting prioritisation**.
- Wider benefits considered beyond flood damage reduction, **projects will be assessed for their contributions to natural capital and environmental improvements.**
- Sets strategic objectives: **At least 20% of investment to the most deprived quintile, 40% to the two lowest quintiles.**
- At least **£300M (3–4% of total) for NFM** over10 years.
- **Removal of the "risk band"** requirement for funding eligibility.

References

[1] Flood_and_coastal_erosion_risk_management_funding_policy
[2] committees.parliament.uk

- Empowers regional flood and coastal committees and local authorities with **greater local choice and involvement**.
- **Removes the 2012 rule**, allowing properties built after 2012 to benefit from funding.
- Acknowledges the **need for partnership funding, blended finance,** and better alignment with local priorities.

2.2 There are several areas that the Government commit to a 3-year policy review:

- policy effectiveness at reducing damages and flood risk to the highest risk areas.
- the policy effectiveness at managing surface water flood risk.
- whether to set a cap on the percentage of the investment programme that goes towards refurbishment.
- inflationary pressures requiring changes to funding eligibility thresholds.

2.3 Other areas which will impact funding and prioritisation include the Green Book review and the FCERM project appraisal guidance.

2.4 The report acknowledges the critical role of integrated water management (IWM), encompassing all aspects of water, including flood risk. The Government is actively responding to the Independent Water Commission's recommendations, with further details expected in an upcoming white paper. Key recommendations from the Commission, led by Sir Jon Cunliffe, include:

- Establishing a regional system planner for water.
- Embedding a regional element within the new water regulator to enhance local involvement in planning.
- Consultees supported these recommendations and stressed that governance of flood funding should be aligned with regional water planning.

References

[1] Flood_and_coastal_erosion_risk_management_funding_policy
[2] committees.parliament.uk

3.0 The Environmental Audit Committee report to Parliament on Flood resilience in England (13 October)

3.1 The report[2] to Parliament provides comprehensive review of flood resilience in England, examining the current state of flood risk management, the effectiveness of national and local strategies, and the adequacy of funding and governance. It highlights the increasing threat of flooding due to climate change, urbanisation, and land-use change, and calls for a fundamental shift from reactive, fragmented approaches to a strategic, system-wide, and locally empowered model of flood resilience.

3.2 Key themes and findings

Strategic Governance and Leadership

- The National Flood and Coastal Erosion Risk Management (FCERM) Strategy lacks statutory force, leading to inconsistent implementation.
- There is no single accountable body overseeing national flood adaptation progress.
- The report calls for clear national targets, enforceable standards, and stronger leadership.

Catchment-Based and Nature-Based Solutions

- Emphasises the need to shift from property-focused schemes to catchment-wide planning.
- Advocates for nature-based interventions like tree planting, wetland restoration, and sustainable drainage systems to complement traditional defences.

Surface Water and Urban Flooding

- Surface water flood risk is projected to increase by 200% by the 2080s.
- Urbanisation and development on floodplains are compounding risks, with two-thirds of England now considered “floodable” under certain conditions.

References

[1] Flood_and_coastal_erosion_risk_management_funding_policy
[2] committees.parliament.uk

Community and Local Authority Roles

- Local authorities and community groups are central to resilience but lack consistent funding and support.
- Calls for formal recognition and resourcing of volunteers and flood action groups.

Insurance and Financial Mechanisms

- The Flood Re scheme has stabilised the insurance market but is set to end in 2039.

3.3 Recommendations

- **Embed flood resilience in statute** by amending the Flood and Water Management Act 2010 to establish a legal duty for all relevant authorities to act in accordance with a strengthened Flood and Coastal Erosion Risk Management (FCERM) Strategy.
- **Assign statutory duties to RMAs**: Within two years, Risk Management Authorities (RMAs), including Lead Local Flood Authorities (LLFAs), should be legally required to deliver against defined resilience standards.
- **Empower the Environment Agency** to oversee delivery across all sources of flooding, monitor compliance with National Adaptation Programme (NAP) targets, monitor compliance, and coordinate across agencies.
- **Ensure long-term, needs-based funding** and align investment with climate projections and community needs.
- **Develop measurable national flood resilience standards by 2027**, tailored to area and property characteristics, and embedded in the NAP and supported by long-term funding beyond six-year budget cycles.
- **Recognise surface water flooding as the most frequent form of flood risk** in England and address its fragmented governance and underinvestment and prioritise surface water risk in planning and investment decisions.

References

[1] Flood_and_coastal_erosion_risk_management_funding_policy
[2] committees.parliament.uk

- **Provide sustainable funding and training for community engagement** and support to local authorities, communities, and voluntary groups.
- **Establish a single, trusted reporting line** for residents during flood events.
- **Improve new-build standards and support retrofitting** of existing properties to enhance resilience.
- **Expand schemes like Build Back Better and Flood Performance Certificates** to incentivise property-level resilience.

References

[1] Flood_and_coastal_erosion_risk_management_funding_policy
[2] committees.parliament.uk

ANNEX A Actions from F&WMG Meeting on 3 October 2025

Topic	Action	Details
Local Levy Increase	RFCC reps confirm support for 5% increase	Work with Combined Authority for struggling councils
	Consult finance leads	Mitigate impacts on Trafford and Wigan
Quick Win Fund Allocation	Advocate risk-weighted allocation (option 2)	Prepare for negotiation at RFCC
	Local authorities prepare project proposals	Maximize use of Quick Win fund
Peatland Restoration	Approve allocation	Approve £150,000 for peatland restoration
	Investigate contributions	Natural England, biodiversity net gain funding
Property Flood Resilience (PFR)	Approve scoring methodology	PFR funding: EA to proceed with prioritisation methodology once bidding window is open.
	Consider deprivation and insurance affordability	Work with Flood Re to improve insurance access to deprived areas.
Integrated Water Management Plan (IWMP)	Continue pipeline development	Surface water project pipeline: allocate seed funding
	Strategic prioritisation	Ensure transparent, evidence-based prioritisation of GM flood projects
	Share IWMP action plan and slides	All members
	Private sector engagement.	Increase engagement with major riparian landowners/businesses e.g. Peel/Manchester Ship Canal Company
	Maintain IWMP engagement	Local authorities and partners
General	Circulate meeting notes and action points	All attendees
	Encourage feedback and questions	Before RFCC vote on October 24th
	Schedule follow-up discussions	Funding fairness and strategic priorities

References

[1] Flood_and_coastal_erosion_risk_management_funding_policy
[2] committees.parliament.uk