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Gweinidog yr Amgylchedd, Ynni a Materion Gwledig
Minister for Environment, Energy and Rural Affairs



Llywodraeth Cymru
Welsh Government

Nick Ramsay AM
Chair
Public Accounts Committee
National Assembly for Wales

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4 March 2020

Dear Nick

Progress in delivering the Coastal Risk Management Programme

I wish to provide an update on the above programme following a commitment to do so in 2018.

Significant progress has been made in the delivery of capital schemes under the Coastal Risk Management Programme (CRMP) since its inception, with the first capital schemes nearing completion and others commencing construction works this spring. Local Authority delays in undertaking the design and pre-construction phases of some schemes have led to me allowing an extra year and so extending the programme to March 2022. This was a decision taken on the advice of the CRMP Programme Board.

In February 2018 you asked to see a mid-Programme review of CRMP when it was undertaken. Due to the extension of the programme by a year, it is premature to carry out a full review until more schemes have reached a point where meaningful lessons for future work can be learnt.

There are additional reasons to defer carrying out a mid-Programme review.

Local Authorities are under significant pressure with work in preparation for EU Exit, and I am concerned engaging with a review process would place a large additional burden on them at an already challenging time.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

My officials have been actively engaging with all schemes being developed under CRMP to understand how the programme is working on the ground, and whether any further support is needed to ensure schemes can progress as quickly as possible. The feedback they have obtained is the scheme is working well for most applicants, the innovative finance mechanism remains appropriate for the large schemes, and the 100% funding support to develop outline business cases was not only welcomed, but helped to de-risk development of schemes in the early stages. I have had the overall intervention rate of 75% raised with me a number of times. I remain of the view 75% is a generous and appropriate support rate for these schemes without evidence to the contrary.

The Programme remains on track to allocate its full budget before March 2022, and therefore a later mid Programme review would enable a better assessment to be made of how schemes are delivering the benefits their business cases set out. An earlier review would not have sufficient information available on how effectively schemes are delivering what they set out to do and therefore would struggle to reach any conclusions on benefits or value for money.

In order for a review to properly inform future decisions on the long-term need for, and shape of, support for specific coastal schemes beyond CRMP, it will need to be carried out once sufficient schemes have been constructed. Given my officials remain in close touch with all CRMP schemes being developed, deferring this work is not a risk to delivering the programme, but will ensure an effective review is carried out at the right time.

Regards
Lesley

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