

Cabinet
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Item

Public









Update on Severn Valley Water Management Scheme Update

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1. Synopsis

This report provides an update on the work of Joint Project Board for the Severn Valley Water Management Scheme (SVWMS) and seeks support for the progression of a programme of public consultation to shape development of a strategy for managing water in the upper Severn catchment.

2. Executive Summary

- 2.1 The Shropshire Plan's Healthy Environment priority highlights the importance of investment and joint working to maintain, protect and enhance our outstanding natural environment.
- 2.2 Further to recommendations approved in the report to Cabinet on 21st February 2024 entitled 'Severn Valley Water Management Update' (Severn Valley Water Management Scheme Update 2024), officers have been working with the Environment Agency, Natural Resources Wales and Powys County Council to progress work on a catchment based approach to water management in the upper Severn (SVWMS).

- 2.3 The SVWMS involves early work to develop a strategy for the upper Severn, utilising £10million of Government investment, awarded to the Environment Agency through ministerial direction in 2021.
- 2.4 As the partner with accountability for the SVWMS, the Environment Agency has led the initial stages, creating the tools and frameworks necessary to develop a technical solution of the scale required to address the significant water management risks faced by the catchment. The establishment of the Joint Project Board in 2024 recognised the importance of co-developing the strategy with the local authorities and the communities they represent.
- 2.5 The Environment Agency has requested the Joint Project Board support the next stage of public consultation. Following development of further technical work, as well as extensive partner and community engagement, this public consultation will focus on capturing input from residents, landowners, businesses, and local organisations on the emerging plan. It will have a particular emphasis on identifying ways to maximise the local benefits of water storage infrastructure beyond just water management.
- 2.6 The SVWMS presents opportunities to reduce flood risk across the catchment, whilst also supporting agriculture, improving water supply resilience, enhancing recreational access, and stimulating local economic development. The public consultation will be key to ensuring that local perspectives feed into the development of the strategy and are subsequently central to the future design and delivery of the scheme.

3. Recommendations

Cabinet agree to:

- 3.1 Note the Council's role as part of the SVWMS Joint Project Board and in advocating for a water management approach which maximises benefits for the cross border communities in Shropshire and Powys.
- 3.2 Endorse and support the next stage of public and stakeholder consultation for the SVWMS, undertaking this jointly through the Joint Project Board.
- 3.3 Delegate to the Chief Executive, responsibility for progressing the Council's support for the SVWMS through the Joint Project Board and agree to embedding the programme within the Marches Forward Partnership, thereby ensuring a joined-up approach to cross border working between Shropshire and Powys.

Report

4. Risk Assessment and Opportunities Appraisal

4.1 The SVWMS is a vital initiative to address long-standing issues of flood risk, water availability, and land use pressures across the Severn catchment. Significant opportunity is provided by the £10million Defra monies, enabling development of

a water management strategy as a response to the challenges posed both now and in the future.

- 4.2 The most up to date modelling of the upper Severn indicates significant challenges both now and into the future. This includes the potential requirement for management of over 100Mm³ of flood water during extreme wet weather events. The SVWMS has recognised that as a worse case scenario the 100Mm³ of flood water is the equivalent of 3.8 years of daily water consumption for the population of Shropshire and Powys combined (based on average household consumption of 142 litres per person per day and a combined population of 500,000 across Powys and Shropshire.) Whilst the SVWMS strategy is only looking at temporarily holding water during an extreme flood event, the public consultation does provide opportunity to help us understand the wider benefits associated with that level of water storage.
- 4.3 Based on risks associated with extreme weather events, the 'do nothing' scenario is not an option. Without intervention and a change of approach, communities, infrastructure, and local businesses are and will remain exposed to recurring and escalating water-related challenges. Independent economic analysis completed by Ernst and Young indicates that a single, significant sized flood event in the Shropshire and Powys catchment area could result insubstantial impacts to infrastructure, businesses and the local community, with socio-economic damages ranging between £111 million to £125 million if the event were to occur in 2026 rising to £205 million to £231 million if the event were to occur in 2050. This expected increase of over 80% between the event occurring next year or in 25-years' time underscores the need for a prompt intervention to avoid incurring significant costs in the future.
- 4.4 The current programme of SVWMS work is focused on the development of a strategy, with the aim of sharing this with UK and Welsh Government in early 2027. The current focus on public consultation is aimed at shaping the strategy development. At this time, no support is sought for a particular set of interventions and there is not an ask to financially support the programme. The current risks to the Council are therefore only focused on resourcing public engagement and ensuring local perspectives are reflected in the development of the strategy
- 4.5 As the funding for the SVWMS is led by the Environment Agency, delivery and expenditure on the project is being monitored by the Environment Agency. The Environment Agency is responsible for managing the project risks and meeting the ministerial requirements associated with the use of the funds.
- 4.6 In line with the formal statutory role of Shropshire Council, as the Lead Local Flood Risk Management Authority, the Council's role on the Joint Project Board is in guiding decision making on the project to maximise benefits to the local community and to help unlock funding to enable future delivery.
- 4.7 The Environment Agency has made an initial sum of funding available for both Shropshire Council and Powys County Council to support the resource capacity needs at this early stage in the strategy development. This funding continues to support the early local authority resourcing into the Joint Project Board and stages of public consultation.

- 4.8 Shropshire Council has already been working with Powys County Council on a joint resource plan to ensure efficiencies in the local authority involvement. This involves hosting the work within the Marches Forward Partnership, as one of the significant cross border projects across the Marches area.
- 4.9 The Joint Project Board and local authority hosting within the Marches Forward Partnership does, and will continue to, enable a joined up approach to the project development, ensuring shared input and influence across partners from the outset of the project development.

5. Financial Implications

- 5.1 Shropshire Council continues to manage unprecedented financial demands and a financial emergency was declared by Cabinet on 10 September 2025. The overall financial position of the Council is set out in the monitoring position presented to Cabinet on a monthly basis. Significant management action has been instigated at all levels of the Council reducing spend to ensure the Council's financial survival. While all reports to Members provide the financial implications of decisions being taken, this may change as officers and/or Portfolio Holders review the overall financial situation and make decisions aligned to financial survivability. All non-essential spend will be stopped and all essential spend challenged. These actions may involve (this is not exhaustive):
 - scaling down initiatives,
 - changing the scope of activities,
 - delaying implementation of agreed plans, or
 - extending delivery timescales.
- 5.2 The £10million funding for development of the SVWMS has already been agreed by the Environment Agency with Defra. The Environment Agency has secured agreement to spend this funding, following completion and sign off of a number of business cases by the Environment Agency. This is aimed at supporting the initial stages of the project's development and includes an initial circa £600,000 payment for local authority support which has been transferred to the Council under a collaboration agreement between the Environment Agency, Shropshire Council and Powys County Council.
- 5.3 In supporting the Joint Project Board, the financial implications for Shropshire Council are associated with resourcing the project development. The collaboration agreement between the Environment Agency and Shropshire Council is enabling transfer of the funding to be received by Shropshire Council to enable effective resource allocation into the project. In-kind contributions are being made by Shropshire Council in support of the Joint Project Board, in terms of sharing data and evidence, sharing office/meeting space (where appropriate) and providing access to Council partner networks and political input.

6. Climate Change Appraisal

- 6.1 The SVWMS is aimed at providing a strategic and integrated response to the challenges of climate resilience across the upper Severn.
- 6.2 The project development seeks to pilot and test how an integrated approach to water management helps to address current and future risks and in so doing

unlocks opportunities for growth and improved wellbeing. It involves a suite of nature based measures, complimented by large scale but innovative and sensitively engineered storage, to address water management. It includes close working with water companies, Wildlife Trusts, Severn Rivers Trust, landowners and many others.

- 6.3 Taking an adaptive approach, the SVWMS allows for a long-term plan to be developed, providing a range of options to implement the most appropriate and effective actions at the right time and in the right way. It includes consideration of multiple benefits, understanding and assessing how future water management reduces risks and provides co-benefits for carbon capture and storage, biodiversity, health and wellbeing and economic growth.
- 6.4 Development and delivery of the SVWMS, as a strategic scale initiative, offers potential to scale up innovation and an integrated climate management response across the entire Severn and Wye catchment, utilising the Marches Forward Partnership and River Severn Partnership as vehicles to share learning and best practice.

7. Background

- 7.1 The SVWMS is a vital initiative to address long-standing issues of flood risk whilst also providing a framework for considering wider issues such as water availability, and land use pressures across the Severn catchment. It is an ambitious project, developing innovative and holistic approach. The SVWMS is exploring how a combination of the natural landscape and natural processes along with formal engineered solutions provide a comprehensive approach to water management. The aim is to drive a long term approach to community resilience and improved wellbeing in the face of current and future risks.
- 7.2 Water management across the upper Severn is not an issue that can be addressed at a localised level. It requires an integrated approach to catchment management and a coherent plan across multiple stakeholders, including communities between England and Wales.
- 7.3 The most up to date modelling of the upper Severn indicates significant challenges both now and into the future. This includes the potential requirement for management of over 100Mm³ of flood water during extreme wet weather events. In addition, and as the summer of 2025 has demonstrated, the increasing flood risk is coupled with increased risks of reduced water availability during drier periods. The 'do nothing' scenario is not an option. Without intervention and a change of approach, communities, infrastructure, and local businesses remain exposed to recurring and escalating water-related challenges.
- 7.4 Enhancing natural processes across the catchment, in tandem with innovative engineered solutions, presents an opportunity to enhance the catchment's ability to hold, and make use of, water to help to alleviate these pressures. The scale of the challenge means there is a need for a strategic approach that supports the future co-design and co-ownership with all partners in the region and with the community.

- 7.5 Current responsibility for water management is siloed, based on whether it is focused on flood management, water resources or water quality. There is not a mechanism that brings this together to look at the integrated water management needs of an area and future management approach. Likewise, the funding mechanisms associated with these existing partners are not necessarily geared to addressing the challenges associated with a rural catchment such as the upper Severn or the scale of the risks that we face.
- 7.6 The SVWMS offers a new way of working which sets out a comprehensive strategy for the upper Severn. It will provide a programme of delivery that can be taken forward as an adaptive approach over the short, medium and longer term, responding to changing risk.
- 7.7 The Environment Agency led the initial stages of the project development, creating the tools and frameworks necessary to develop a technical solution of the scale required to address the significant flood management challenges faced by the catchment. This included undertaking immediate delivery through a demonstrator programme to both provide short term benefits to communities whilst also demonstrating the potential innovation possible to Government and wider key stakeholders.
- 7.8 That work was used to identify "the art of the possible" and to understand the potential degree of intervention that might be required across Shropshire and Powys to mitigate some of the substantial impacts experienced from flooding, water availability and land use pressures. With subsequent work, extensive and engagement and a formal consultation process helping to further shape that work into a formal strategy.
- 7.9 As the strategy evolves, there continues to be a need for significant input from local communities. The creation of a shared vision and co-created programme of interventions across the catchment is essential in providing far greater benefits and confidence in future delivery. For the SVWMS to be successful, it needs to be much more than a technical assessment and provide a clear plan for taking forward a suite of interventions which in turn become community assets that both help to manage water and provide wider community benefits.
- 7.10 The next stage of public consultation will therefore provide opportunity to showcase the technical work to date alongside the emerging plan. It will share the scale of the challenge and important need for all the interventions to be effective and seek community input on the approach and the local opportunities it presents.
- 7.11 Engagement from previous consultation rounds and as part of the project work, provides a good basis for this next public consultation. Work to date has been supported by a growing consortium of professional bodies and local partners including input from communities facilitated through the National Flood Forum (NFF). This has provided early thinking on the type of interventions that would be both appropriate for the upper Severn landscape, taking into account a range of factors such as environmental constraints, as well as those that would be most effective in addressing the scale of risk and which work well with the existing landscape and for local communities.
- 7.12 There has been a deliberate focus on considering the role of nature-based processes which can be taken forward at pace. However, within the initial analysis

there is a recognition that such interventions can only address the risk to a certain point, beyond which there would be a dramatic impact to the upper Severn landscape and the communities within it. A balance is therefore required between delivering the optimum amount of nature-based measures alongside sympathetically designed engineered solutions. A fully integrated programme encompassing a suite of measures will both help to achieve the scale and reliability of outcomes required alongside supporting the community to help shape the outcomes they wish to see.

7.13 Examples of such engineered solutions exist in other catchment areas, such as in the rural areas upstream of Leeds and more locally in the RSPB site in Perry Barr (Birmingham). As illustrated by the below diagrams, such schemes have been deliberately landscaped into the environment using grassed embankments to provide sensitively designed water storage which only fills in times of flood.

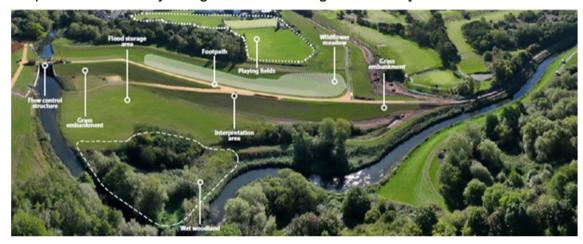


Figure 1 - Aerial Shot of temporary flood storage area in Birmingham



Figure 2 - Aerial shot of temporary flood storage area in Leeds (prior to seeding)



Figure 3 - Mock up visualisation of type of storage area envisaged to support SVWMS

- 7.14 In the case of SVWMS, this could potentially involve landscaped bunds that retain a maximum water height of 10m (measured from the riverbed) albeit this is based on the early and high level analysis undertaken to date. Significant community engagement and future studies will be needed before starting any level of design that would help define more definite retained water level heights. However, it is important to note that such engineering is of a dramatically reduced scale compared to the type of water management interventions that already exist across the upper Severn, such as Lake Vyrnwy.
- 7.15 The consultation will set out the findings from the work undertaken to date and present an emerging plan of measures that could be brought forward to manage present day and future risks. That plan will show how nature-based solutions and temporary flood water storage structures could be utilised to hold water back during flood events, reducing subsequent damage to communities and land. It will also seek to gain input on the wider opportunities that such a programme might create, such as enhanced local water resource resilience and recreation, amongst others. The consultation will also touch on work that is ongoing to establish a clear funding mechanism that enables landowners to support in the future co-design and delivery of the project whilst being rewarded for that input.

8. Additional Information

8.1 As a Defra led strategic project, flexibility has deliberately been built into the SVWMS to allow for innovation during the development phase. This is aimed at supporting the achievement of greater and multiple outcomes through an integrated approach to catchment management. The project programme therefore allows for evolution and refocus as part of the learning process and specific deliverables and outcomes may therefore change as the strategy is developed with local communities. Learning will be gathered by the Environment Agency to inform Defra ministers as well as with the wider River Severn Partnership to support wider scale up of delivery across the Severn and Wye catchment.

9. Conclusions

- 9.1 Development of the SVWMS is a strategic response to the challenges of water management impacting the upper Severn catchment. As a strategy, it seeks to combine nature-based responses with appropriate, but potentially large scale, engineering to provide a complementary programme of measures that can be taken forward across the short, medium and longer term. It will help harness the natural and cultural value of the upper River Seven, as the headwaters of the UKs longest river system, and provide the catalyst for community resilience and economic prosperity.
- 9.2 Supporting the public consultation, as part of the Joint Project Board, will utilise Shropshire Council's unique position as the lead partner for Shropshire, ensuring collaborative delivery with Shropshire communities from the outset and enabling community level shaping as the strategy moves forward in its development.
- 9.3 The SVWMS will help provide a strategic framework for supporting landowning communities to understand the value of environmental management within farm businesses and enable testing of new financial mechanisms for delivery.
- 9.4 The scheme aligns with the Council's strategic objectives around flood risk management, infrastructure resilience, rural development, and community wellbeing. Developing the SVWMS will improve the natural environment for future generations and secure economic and community resilience in the face of current risks and future uncertainty.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Cabinet report title 'Severn Valley Water Management Scheme Update' dated 21st February 2024

Cabinet report title 'River Severn Partnership- Shropshire Flood Prevention' dated 27th September 2020

Cabinet report title 'River Severn Partnership' dated 18th November 2019

Local Member:	All Members
Appendices	