

Funding to build the preferred option

Partnership funding

In 2012 the government introduced the Partnership Funding approach. This links the amount of government funding available to a project to the benefits it can deliver. A project with a low benefit-cost ratio may not receive enough funding to enable it to go ahead. Alternative sources of funding could include:

- Financial contributions;
- Sponsorship;
- Allowing free access over or use of private land;
- Working in partnership with other organisations.

Option costs

Our economic assessment revealed that all of the options had very low benefit-cost ratios. We have improved the benefit-cost ratios by rationalising elements of the designs and taking a different approach to construction. However, they are still not high enough to secure sufficient government funding to cover the cost of construction. Therefore, partnership funding will be required to take the preferred option forward. Without the additional funding, the project may not go ahead. The costs of the options and the funding shortfalls are presented in the table below. Options 5 and 6 have not been included in the table because they are long term aspirations that will be delivered outside of this project.

Option	Properties protected	Whole life benefit (£k)	Whole life cost (£k)	Benefit/Cost ratio	Partnership funding score	Government funding (£k)	Funding shortfall (£k)
1	33	7,444	1,102	6.75	38%	413	689
2	51	8,084	2,342	3.45	20%	449	1,856
3	35	3,458	530	6.52	40%	212	318
4	63	8,283	1,152	7.19	42%	480	672

What next?

We want to know your thoughts on our plans and preferred option. Once we have received feedback from all interested parties, we will:

- Finalise the details of the design for the preferred option.
- Work with the community and other partners to source the funding shortfall.
- Prepare a business case for building the preferred option when the funding has been sourced.
- Keep seeking opportunities to implement upstream catchment management measures.

