

**The North Yorkshire Council**  
**Corporate Director of Environment**

**13 February 2026**

**Grant in Aid Application - Wensleydale, Reeth & Upper Dales**

**Report of the Assistant Director of Highways and Infrastructure**

**1.0 PURPOSE OF REPORT**

**1.1** To seek approval for the submission of an application for The Environment Agency Grant in Aid funding of £326k from the Corporate Director of Environment in consultation with the Corporate Director Resources (sub-delegated to) the Assistant Director – Resources for Environment.

**2.0 BACKGROUND**

**2.1** As a Flood Risk Management Authority (RMA), North Yorkshire Council can apply for national Grant in Aid (GiA) funding through the Environment Agency (EA) to better protect properties from flooding. RMAs make applications to the EA for funding to be allocated and profiled into the Medium-Term Plan (MTP) ready to be drawn down subject to business case approval. GiA therefore, forms an important funding stream that NYC use to supplement and match fund its capital flood programme. The current MTP programme was due to run until March 2027.

**2.2** On 09 August 2024, the Environment Executive Members provided approval to apply for the Environment Agency Grant in Aid funding and the Flood and Coastal Committee Local Levy funding to support the Upper Dales Flood Alleviation Schemes (Appendix A). A breakdown of the funding allocated to each scheme is provided in Table 1 below.

Table 1. Original approved funding bids agreed by Committee

<b>Project title</b>	<b>NYC</b>	<b>Grant in Aid</b>	<b>Local Levy</b>
P1. Wensleydale	£97,500	£168,483	£58,017
P2. Leyburn	£107,250	£143,910	£88,940
P3. Leyburn & Redmire	£74,750	£82,185	£100,666
P4. Leyburn 3	£100,750	£115,915	£110,035
P5. West Witton & Spennithorne	£47,618	£103,382	£47,618
P6. Reeth	£70,913	£138,637	£70,913
P7. Upper Dales	£106,700	£120,700	£106,700
<b>Total</b>	<b>£650,000</b>	<b>£873,212</b>	<b>£582,889</b>

**2.3** The Environment Agency undertake an annual programme refresh to update the allocations throughout the 6-year programme. This annual refresh usually occurs in April/May each year. The allocations for 2025/26 and 2026/27 were previously approved by a reset programme business case submitted by the EA to and approved by HM Treasury in February 2024. The FCRM funding for 2025/26 has since been agreed through the Spending Review 2024 and the previous settlement revised, the consequence of which is less funding now being allocated than originally allocated for 2025/26.

- 2.4 With Ministerial direction, £72million from the FCRM Investment Programme was diverted to support the maintenance of existing Environment Agency assets. This means, collectively GiA could not fund all the previously planned work in 2025/26 and 2026/27.
- 2.5 To allow a clean break in the funding cycle to reflect the new funding rules and reflecting a national overspend, the EA shortened the current 6-year programme which was due to expire in 2026/27 to 2025/26. Schemes with allocations in 2026/27 have therefore been removed from the programme altogether resulting in a 50% reduction in available GiA in the Yorkshire region
- 2.6 At the March 2025 Yorkshire Regional and Coastal Committee (YRFCC) meetings and the equivalent meeting in January 2026 for the 26/27 programme, whilst acknowledging the uncomfortable position of the indicative allocations, the RFCC members endorsed a programme of significantly reduced allocations, recognising the need for those projects currently in progress to receive their funding. This is referred to as the 'local choices' process. This is an important step to ensure local priorities can be taken into consideration and we get the best possible outcomes from the programme both locally and nationally
- 2.7 Unfortunately, Wensleydale, Reeth and Upper Dales schemes did not secure GiA in the local choices process and their allocations were removed, however at the time of the approval of the programme, all 3 schemes had live Local Levy bids and secured some funding for 2025/26 and therefore some survey work was able to start. This meant that the GiA shortfall for the 3 schemes was £428k.
- 2.8 Approval to submit an application for the total sum of £219,370 from the available Flood and Coastal Committee Local Levy was agreed by the Environment Executive Committee on the 19 of December 2025 (Appendix B) to cover the £428k shortfall. The bid was submitted to the Regional Flood and Coastal Committee February-April 2026 approval cycle which commences with the North Yorkshire Flood Risk Partnership on 18 February 2026, the earliest possible opportunity following the approval in December 2025.
- 2.9 This week (week commencing 09 February), NYC have been informed that a windfall GiA funding of £326k has now become available for these 3 schemes, with an application deadline of 11 February 2026.

### **3.0 PROGRESS TO DATE**

- 3.1 108 properties have received their design and installation survey.
- 3.2 61 homeowner agreements have been received.
- 3.3 The next stage of the project is installation of the property flood resilience measures.

### **4.0 ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 Without GiA funding, the MTP is running with a shortfall of £428k which is currently being underwritten by the Flood Risk Management (FRM) base budget supplemented by the FRM Revenue Reserve in 2025/26. (See Table 2 of Appendix B)

### **5.0 FINANCIAL IMPLICATIONS**

- 5.1 The funding made available from The Environment Agency for Grant in Aid is detailed in the Table 2 below. It is less than the values originally agreed in August 2024 but does reduce the shortfall of £428k by £326k to £102k. As detailed in Appendix B this shortfall in funding will be funded by the additional Flood and Coastal Committee Local Levy bid, if successful, and the FRM base budget supplemented by the FRM Revenue Reserve in 2025/26 without

significant detriment to the programme, other than to defer schemes to future years. The reduced shortfall can now be fully covered by a reduced bid of additional Local Levy funding without the need for additional NYC contribution. NYC's contribution to the schemes, if the Local Levy funding bid is successful will revert to Table 1 as originally approved without impact on the future programme. Schemes currently in abeyance will be progressed when new GiA allocations are made by the EA in future years.

**Table 2. Grant in Aid Funding Available**

<b>Project title</b>	<b>Original Funding Bid</b>	<b>Funding Available Now</b>	<b>Difference</b>
P1. Wensleydale	£168,483	£134,000	£64,483
P6. Reeth	£138,637	£115,400	£28,637
P7. Upper Dales	£120,700	£76,600	£8,700
<b>Total</b>	<b>£427,820</b>	<b>£326,000</b>	<b>£101,820</b>

- 5.2 If successful, the GiA funding needs to be spent in the current financial year, by 31 March 2026. This can be achieved based on the programme – see Table 3 below.
- 5.3 Table 3 shows how the GiA funding will be spent. The additional forecasted spend is calculated from a partial upfront fee for materials upon receipt of a completed homeowner agreement. There is high confidence in homeowner agreements being returned before the 31 March 2026.

**Table 3. Shows Spend to Date and Forecasted Spend to the 31 March**

<b>Project</b>	<b>Spend to Date</b>	<b>Homeowner agreements to be returned</b>	<b>Additional Forecast Expenditure to 31<sup>st</sup> March</b>	<b>Total Expenditure to 31<sup>st</sup> March</b>	<b>Local Levy allocated for 25/26</b>	<b>Unclaimed Expenditure by NYC (Total Expenditure – Local Levy)</b>
Wensleydale	£90,000	15	£102,000	£192,000	£58,000	£134,000
Reeth	£81,000	17	£105,400	£186,400	£71,000	£115,400
Upper Dales	£85,000	15	£98,600	£183,600	£107,000	£76,600
<b>Total</b>	<b>£256,000</b>	<b>47</b>	<b>£306,000</b>	<b>£562,000</b>	<b>£236,000</b>	<b>£326,000</b>

## **6.0 LEGAL IMPLICATIONS**

- 6.1 If the application for Grant in Aid funding is successful any Grant terms issued will be reviewed by Legal Services and if any of the Grant terms present an unacceptable risk for the Council then the Grant offer would be declined.

## **7.0 EQUALITIES IMPLICATIONS**

- 7.1 The scheme benefits all those with protected characteristics by reducing the risk of surface water flooding in the Upper Dales and thereby the associated effects upon businesses, residential properties, the public health of the community living at flood risk and the associated economic growth of the area. The report was completed for the initial Environment Executive Report on the 09 August 2024. (See Appendix A).

## **8.0 CLIMATE CHANGE IMPLICATIONS**

- 8.1 Flood mitigation offers positive benefits to resilience to future climate change projections. The proposals are anticipated to have a positive impact in response to climate change. The report was completed for the initial Environment Executive Report on the 09 of August 2024. (See Appendix A).

## **9.0 REASONS FOR RECOMMENDATIONS**

- 9.1 It is therefore considered appropriate to continue with the scheme as intended, with regular relevant liaison through the engagement channels established as part of the scheme.

## **10.0 RECOMMENDATION**

- 10.1 That the Corporate Director of Environment in consultation with the Corporate Director Resources (sub delegated to) Assistant Director – Resources for Environment approve the submission of the application of Environment Agency Grant in Aid of £326k.

### **APPENDICES:**

- Appendix A – Upper Dales Flood Alleviation Scheme Executive Committee Report 09 August 2024  
Appendix B – Upper Dales Flood Alleviation Scheme Executive Committee Report 19 December 2025  
Appendix C – Climate Change Impact Assessment

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11 February 2026

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