

REPORT



REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES	CABINET	15 JANUARY 2014	10

COASTAL HEADLANDS STUDY – FUNDED BUDGET INCREASE

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

The report gives a strategic overview for coastal defences and advises on the approval of the Strategy Appraisal Report by the Environment Agency (EA). It also advises on the successful grant award of £175,000 by the Environment Agency to fund a Strategic Headland Study. The report proposes the engagement of consultants to develop the Strategic Headlands Study to inform a project appraisal report to enable the Council to bid for further capital funding to deliver new hard sea defences at Fairhaven Lake and Church Scar.

The report also seeks approval to enter into Memoranda of Understanding with the Coastal Defence Authorities and Lancashire Wildlife Trust for the Strategic Headlands Study and the Starr Hills Environmental Improvement Project.

RECOMMENDATIONS

Cabinet are recommended to:

1. Approve additions to the Councils approved Capital Programme for 2013/14 of £35,000 and for 2014/15 of £140,000 (a total addition in the sum of £175,000) for a Strategic Headland Study to be fully-funded by a grant from the Environment Agency of an equivalent amount;
2. Approve the engagement of the Coastal defence team at a cost of £10,000 to project manage the preparation of the strategic headland studies and production of a project appraisal report, to be funded from the Environment Agency grant for the development of a Strategic Headland Study;
3. To note the use of the Environment Agency WEM framework for the selection of a consultant to prepare the Strategic Headlands Study and project appraisal report, and waives or varies the Council's contract procedure rules to allow the project to proceed on that basis;
4. Approve the engagement of Halcro at a cost of £54,759 to carry out the Headlands studies, to be funded from the Environment Agency grant for the development of a Strategic Headland Study ;
5. Approve the approach to engage consultants on a price to quality basis to deliver the site investigation, construction design and management, topographical surveys and undertake consultations at a total project cost of £110,000 using the council's small and medium contract rules and procedures, to be funded from the Environment Agency grant for the development of

a Strategic Headland Study;

6. Approve the entering into of Memoranda of Understanding for the Strategic Headlands Study and the Starr Hills Environmental Improvement Project.

CABINET PORTFOLIO

This item falls within the following cabinet portfolio(s):

Environment & Partnerships - Councillor Tommy Threlfall

SUMMARY OF PREVIOUS DECISIONS

Cabinet considered a report on the adoption of the Shoreline Management Plan (SMP) at its meeting on 15th September 2010. After consideration Cabinet resolved:

that subject to consideration and comment by the appropriate scrutiny committee to adopt the policies set out in the North West England and North Wales Shoreline Management Plan for the Fylde Coastline.

Community Focus Scrutiny Committee at its meeting on 14th October 2010 resolved:

to endorse the decision of Cabinet to adopt the policies set out in the North West England and North Wales Shoreline Management Plan for the Fylde coastline

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BACKGROUND AND STRATEGIC CONTEXT

1. The Council adopted the Shoreline Management Plan 2 (SMP 2) in 2010. This plan is intended to identify policies to manage coastal flood and erosion risks over the next 100 years and covers the entire shoreline of the North West of England and North Wales. The SMP 2 policy for the Fylde Coast is to predominantly "hold the line"; this means strengthening, maintaining or rebuilding the existing sea defences to maintain the existing shoreline. The SMP 2 is a large scale assessment of the coastal processes and helps reduce associated risks to people and the developed, historic and natural environments. The SMP 2 aims to identify the most sustainable approaches to managing the coastline, in the short, medium and long terms.
2. The implementation of the SMP 2 "hold the line" policy is developed within Strategy Appraisal Reports (StAR) which should be prepared for each local authority area. The StAR also identifies key areas of the coastline that requires substantial work. Following the development of the StAR, project specific Project Appraisal Reports (PAR) explore and analyse the economic and environmental sustainability issues to determine the most appropriate option to implement the SMP policy.
3. The strategy appraisal report for the Fylde shoreline has been recommended for approval by the Environment Agency. The key purpose for this strategy is to provide a long term 100 year plan for the management of the Fylde shoreline. The shoreline is in need of major investment and the strategy has identified 3 strategic headlands:

- Headland 1 (The Island)
 - Headland 2 (Fairhaven)
 - Headland 3 (Church Scar)
4. The Headlands serve to protect properties behind them, but also serve to preserve the soft defences in front of properties lying in between the headlands. The StAR recommends that the 3 strategic headlands need to be replaced with new structures over the following timescales:
 - Headland 1 (The Island) in 20 years, up to 2033
 - Headland 2 (Fairhaven) within the next 5 years, up to 2018
 - Headland 3 (Church Scar) within the next 5 years, up to 2018
 5. The whole life cost (excluding inflation) estimated in the StAR is £88 million pounds for the Fylde study area and recommends a series of schemes over the next 20 years together with ongoing maintenance to provide coastal erosion and flood protection. The Council has now successfully presented its proposals for the Strategic Coastal Headland Study project to the Environment Agency's Project Appraisal Board and has been awarded £175,000 to progress the scheme to the next stage. These studies will enable the production of a project appraisal report which is required to justify further Environment Agency funding to implement the Coastal defence scheme. In applying for the funding, officers have, on behalf of the Council, agreed to fulfil the requirements of the grant memorandum.
 6. Members will recall that in 2010 the 3 Coastal Authorities on the Fylde Peninsula namely Blackpool, Fylde and Wyre all signed up to a Multi Area Agreement (MAA). The MAA contained a number of breakthroughs. Breakthrough 7 being to realise efficiencies from the 3 authorities working together in the strategic management of the coastline.
 7. Following this the 3 Authorities have formed the Fylde Peninsula Coastal Programme Board to deliver hard and soft coastal defence schemes across the Fylde Coast. The board comprises of an Elected Member and Senior Offices from each Fylde coast authority and meet on a monthly basis.
 8. The work of this board has secured major investment in sea defences across the Fylde Coast and is currently delivering the projects at Anchorholme and Rossall.

STRATEGIC HEADLANDS STUDY

9. A Coastal Project team of specialist Coastal Engineers and project managers from Blackpool and Wyre Councils has been assembled to deliver the existing projects at Anchorholme and Rossall and develop future projects in Fylde as detailed above in paragraph 3. The team working with officers from Fylde have secured the adoption of the Fylde Shoreline strategy and has secured the £175,000 to undertake the Strategic Headlands study.
10. To deliver the Headlands study the proposal would be to engage the Coastal Project team (Blackpool/Wyre Councils) as a lead consultant at a cost of £10,000 to engage the various disciplines to complete the necessary studies. The Coastal project team would be engaged under section 16 of the Councils contract procedure rules as the work is of a specialist nature.
11. The elements of work required to complete the Headlands study are detailed in the cost plan below –

Work Required	Budget
Headlands Project Appraisal Report	£55,000
Site Investigation	£55,000
Topographical Survey	£5,000
Construction Design and Management reviews	£5,000
Consultation and engagement	£15,000
Project Management	£10,000
Contingency	£30,000
Total	£175,000

12. In order to progress with the project the Coastal project team using the Environment Agency's Water and Environment Management (WEM) Framework have tendered the production of the Strategic Headlands Study for the Project Appraisal Report.
13. The Environment Agency Water and Environment Management (WEM) Framework is a commercial agreement between the Environment Agency, consultants and contractors (suppliers) with agreed terms for the award of individual contracts to deliver projects for flood and coastal risk management. The framework is available for use by coastal defence authorities.
14. Lot 3 of the WEM Framework has been used to tender the production of the headlands study. Expressions of interest were sought from the 5 consultants detailed below –

Capita Symonds Ltd
CH2MHILL Halcro
Jackson Hyder
Jacobs UK Ltd
Mott Macdonald Ltd

15. From the 5 consultants approached, 3 expressions of interest were submitted and two tenders were received.
16. The two tenders received were CH2MHILL Halcro at a tender price of £54,758.50 (excluding VAT) and Mott Macdonald Ltd at a tender price of £61,495.97 (excluding VAT).
17. The remainder of the work including site investigation, topographical survey, construction design and management and consultation and engagement will be tendered using the Council's contract rules and procedures for small and medium contracts and therefore

authority is sought to engage the most suitable consultant on a price to quality basis within the allocated Environment Agency grant.

18. It is proposed that a Memorandum of Understanding be put in place between Fylde and the Coastal Project Team (Blackpool/Wyre Councils) to facilitate and oversee work on the project. The MOU would set out –
 - The key objectives of the project;
 - The principles of collaboration;
 - The governance structures the parties will put in place; and
 - The respective roles and responsibilities the parties will have during the project;
19. The Strategic Coastal Headland Study project will be delivered across the financial years 2013/14 and 2014/15. Progress on the project will be reported through monthly meetings of the Coastal Programme Board and the outcome will be reported to Cabinet during 2014.
20. The outcome of the study will form the basis of a grant submission to the Environment Agency Large Projects Review Group (LPRG) during 2014 in order to secure capital funding for the initial phases of work to replace the coastal defences at Fairhaven Lake and Church Scar.

STARR HILLS SAND DUNES ENVIRONMENTAL WORKS

21. Working in Partnership with Blackpool Council and the Lancashire Wildlife Trust £520,000 has already been secured from the Environment Agency to fund the delivery of the dune action plan. The main aims of this area are to:-
 - enhance the nature conservation interest of the coastal habitats,
 - improve the efficiency of the dunes and saltmarsh as soft sea-defence
 - enhance public appreciation and enjoyment of the dunes
22. The project is a 5 year project which started in 2011 and has funded a dunes officer, specialist dunes vehicle, habitat improvement and the dune widening project at the end of north promenade.
23. In terms of the delivery of this project Blackpool are the lead authority as the majority of the project area is under the ownership of Blackpool Council and therefore the finances and procurement are administered through Blackpool Councils capital programme. The Lancashire Wildlife Trust play host to the Dunes officer post and delivers some of the specialist maintenance works and Fylde are responsible for the day to day management of the project.
24. The delivery of this project with a number of partners is fairly unique and therefore it is necessary to also put in place a Memorandum of Understanding to enable the parties to work together on the project.

CONCLUSION

25. Cabinet is asked to note the strategic framework in place for identifying and delivering coastal defence improvements on the Fylde Borough coastline. Cabinet is asked to approve additions to the Councils approved Capital Programme for 2013/14 of £35,000 and for 2014/15 of £140,000 (a total addition in the sum of £175,000) for a Strategic Headland Study to be fully-funded by a grant from the Environment Agency of an equivalent amount.

26. The study will be delivered by the Coastal Project team in accordance with the details as set in the table at paragraph 11 above. Cabinet is also asked to note the Starr Hills Environmental Works project which is underway and that a MoU will be entered into to oversee responsibilities on both projects.

IMPLICATIONS	
Finance	This report seeks approval for additions to the Councils approved Capital Programme for 2013/14 of £35,000 and for 2014/15 of £140,000 (a total addition in the sum of £175,000) for a Strategic Headland Study to be fully-funded by a grant from the Environment Agency of an equivalent amount. The report also seeks approval for the expenditure of that total sum on a range of activities, as detailed within the report, to deliver the Strategic Headland Study.
Legal	Use of the WEM framework will satisfy the requirements of the council's contract procedure rules
Community Safety	No implications arising
Human Rights and Equalities	No implications arising
Sustainability and Environmental Impact	No implications arising
Health & Safety and Risk Management	No implications arising

REPORT AUTHOR	TEL	DATE	DOC ID
Andrew Dickson/ Darren Bell	01253 658675 01253 658465	18 th December 2013	

LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Cabinet agenda/minutes	15 th Sept 2010	http://www.fylde.gov.uk/meetings/details/837
Community Focus Scrutiny Committee agenda/minutes	14 th Oct 2010	http://www.fylde.gov.uk/meetings/details/849

Attached documents:

Appendix 1 Approval letter from Environment Agency dated 18th December 2013

creating a better place

Environment
Agency

Fylde Borough Council
Town Hall
St Annes Road West
Lytham St Annes
Lancs
FY8 1LW

Our ref: LL 143**Your ref:****Date:** 18th December 2013FAO Paul Walker

Dear Paul,

The Flood & Water Management Act 2010Application for Approval of FCERM7Fylde Headlands Preliminary Work (LL 143)

Thank you for your application for approval of your FCERM7 for the Fylde Headlands Preliminary Work. I am now pleased to enclose a copy of your submission and would like to confirm that it has now been approved.

You are now authorised to proceed with this work in accordance with the approved FCERM7, which is estimated at £175k, and in accordance with the terms and conditions set out in the Memorandum Relating to Capital Grants for Local Authorities under the Flood and Water Management Act 2010.

The specific Scheme Reference Code issued for this project is LL 143 and this should be quoted in all related matters of correspondence.

Please note that you should send an interim grant claim form FCRM 3 to the Head of FCRM Finance in Exeter, and a copy of form FCRM 8 when the works are complete. Final account form FCRM 5, once audited as required, must be sent to the Head of FCRM Finance within 24 months of works completion date.

I wish you success with this project and should you have any queries or wish to discuss this matter further please do not hesitate to contact Andrew Shore on direct dial 01772 714018.

Yours sincerely

Andy Brown

NW Area Flood and Coastal Risk Manager
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Preston, Lancashire PR5 8BX



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