



Portfolio Holder Report

The portfolio holder will make a decision on this item after seven days have elapsed (including the date of publication).

Report of:	Portfolio Holder	Date of publication
Mark Billington, Corporate Director Environment	Councillor Michael Vincent, Resources Portfolio Holder and Councillor Roger Berry, Neighbourhood and Community Services	12 August, 2021

Wyre Dune and Beach Management Scheme

1. Purpose of report

- 1.1 To seek approval to develop the Wyre Dune and Beach Management scheme to construction using the SCAPE Framework.

2. Outcomes

- 2.1 The Wyre Dune and Beach Management Scheme will be constructed improving the protection against flooding to 11,056 properties.

3. Recommendations

- 3.1 That approval is given to construct the Wyre Dune and Beach Management Scheme.
- 3.2 That approval is given by the Resources Portfolio Holder to enter into an agreement with Balfour Beatty Civil Engineering through the SCAPE Strategic Procurement Arrangement 2019-23 Civil Engineering and Infrastructure Framework (SCAPE Framework) under the exemptions to Contract Procedures contained within the Financial Regulations and Financial Procedure Rules. The Financial Regulations and Financial Procedure Rules; on the grounds that exemptions may apply where "a framework agreement is available that necessitates the Council not having to go out to tender and the goods, works and services will still provide the Council with best value for money".

- 3.3** That members note the requirements of the Marine Management Organisation and planning to develop the scheme through the Environmental Impacts Assessment phase and the intention for Wyre planning to lead the process for both organisations through the Coastal Concordat for phase 2 of the scheme.
- 3.4** That approval is given for a dedicated independent resource to be procured by Planning Services to manage the planning process, funded through the beach management scheme.
- 3.5** That the Capital Programme for 2021/22 and beyond is updated to reflect the spend profile in Appendix 1 with all money from external sources.

4. Background

- 4.1** The Dune and Beach Management scheme aims to maintain beach levels along the frontage through a combination of beach control structures and beach management. The scheme will protect over 11,000 properties between the boundary at Cleveleys and Fleetwood ferry dock. Phase 1 works provide better protection to 1,910 properties along the Rossall Beach frontage through the construction of a sub-beach level rock revetment together with improvement works to the existing seawall. Planning permission was granted for this scheme and pre construction works including setting up a site compound on Jubilee Gardens on 3 June 2021. Phase 2 works involve improvements to beach control structures and defences at Cleveleys, Rossall South and Fleetwood North (including dune management) and beach management of the whole frontage such that the strategically optimised standard of protection of 1 in 200yrs is maintained. The scheme will provide reduced flood risk to 11,056 properties, critical infrastructure and businesses in the Wyre urban core area and estimated whole life benefits of £434 million.
- 4.2** Approval to prepare an application to undertake studies leading to a business case to the Environment Agency (EA) was given by the Resources and Neighbourhood Services and Community Safety Portfolio Holders on 9 March 2017. The application was submitted and was subsequently formally approved on 15 August 2018.
- 4.3** The Outline Business Case produced was submitted to the EA Large Projects Review Group (LPRG) in December 2019 and approved on 10 March 2020. This gives the council a reserved allocation of £42,566,934. On 2 March 2021 formal approval for the scheme was provided for this sum with an approved funding allocation of £29,416,898 with the residual (£13,150,036) being contingency which would be drawn down as phase 2 of the scheme is developed.
- 4.4** Approval to prepare the scheme to construction through the SCAPE framework with Balfour Beatty Civil Engineering Limited BBCEL, utilising consultants was given by the Resources and Neighbourhood Services and Community Safety Portfolio Holders on 21 May 2020.

- 4.5** The scheme has been split into two distinct phases to allow the optimum development of the project. In accordance with the SCAPE formal gateways both phases have been developed through Feasibility Stage.
- 4.6** Phase 1 has reached the end of the Pre-Construction stage. The next steps following planning approval and discharge of conditions will be for the setting up of the site compound and facilitating works necessary to facilitate construction for both phases of the scheme. These Pre-Construction works will meet a programmed completion date of February 2022.
- 4.7** This will involve; the provision of office and welfare facilities, protection of services and the highway, widening of the access ramp, provision of site fencing and hoarding, highway plant crossing safety fences and traffic lights and construction of a turning loop. This will form part of a Project Manager's Instruction (PMI). The Phase 1 construction works will commence in February 2022, the council and Contractor have jointly produced a document, which includes the Delivery Agreement including Scope, Site Information, Programme, Project Risk Register and other documents required to administer the contract. This document will be submitted to the project board, which includes Senior Suppliers, EA and a Contractor Director, Wyre's Corporate Director Environment and the Neighbourhood Services and Community Safety Portfolio Holder for approval.
- 4.8** The Pre Construction works are programmed to commence in September 2021. The Phase 1 construction works will commence in February 2022 with a completion date of July 2022. Commencement of Phase 2 will continue at this time.
- 4.9** For Phase 2 the critical programme activities include obtaining planning permission for the scheme, which will require a Habitat Regulations Assessment (HRA). In order to substantially reduce the risk of programme slippage it is proposed that Wyre Planning lead the planning process for both the terrestrial and marine elements (on behalf of the Marine Management Organisation) of the project having entered into a Coastal Concordat agreement, which is being promoted by DEFRA.
- 4.10** It should be noted that any delay between Phase 1 and Phase 2 will result in a standing charge of approximately £40,000 per week for the site compound, plant, machinery and staff. The provision of a dedicated planning resource therefore represents an essential part of the project to ensure avoidable costs are not incurred.
- 4.11** The Environment Agency have funded the securing of the rock supply at this stage of the works. This has allowed security of the rock supply and delivery to site at good rates reducing the risk to the project.
- 4.12** Jubilee Gardens is proposed as the site compound and rock storage area for Phase 1 of the works and for the initial works to Phase 2 subject to future planning approval.

4.13 The financial income and expenditure for the works is set out at Appendix 1.

5. Key issues and proposals

5.1 Pre-Construction works will commence in September 2021 and Phase 1 of the works will commence in February 2022 with a completion date of July 2022.

5.2 The key risk to the project is obtaining planning and MMO licences to allow continuity between the two phases. It is proposed that Wyre Planning supported by an additional resource leads the process. Wyre planning have signed up to the Coastal Concordat to allow this.

5.3 All works and studies required to develop the scheme to Construction will be supported through external funding through Flood Defence Grant in Aid (FDGiA). The scheme has a reserved allocation of £42,566,934 and the EA have approved the scheme up to £29,416,898 with the residual scheme costs consisting of contingencies, which will be drawn upon through the FCERM process as they occur.

5.4 The updated capital costs identified for the full scheme in Appendix 1 should be included in the council's capital programme from 2021/22 onwards as per the profile shown.

6. Delegated functions

6.1 The matters referred to in this report are considered under the following executive function delegated to the Neighbourhood and Community Services Portfolio Holder (as set out in Part 3 of the council's constitution):

"To consider any matter relating to the Council's responsibilities for coast protection or the provision and maintenance of sea defences."

6.2 The matters referred to in this report are considered under the following executive function delegated to the Resources Portfolio Holder (as set out in Part 3 of the council's constitution):

"To consider departures from Rules relating to financial and contractual matters if appropriate.

Financial and legal implications	
Finance	<p>The Environment Agency have a reserved allocation of £42,566,934 for the Wyre Beach Management Scheme and have approved works to a value of £29,416,898, the residual being contingencies which will be drawn down at a future date.</p> <p>The estimated cost of the scheme as outlined in Appendix 1 is to be included in the Capital Programme for 2021/22 onwards.</p>
Legal	<p>The SCAPE Procure Strategic Procurement Arrangement 2019-23 Civil Engineering and Infrastructure Framework (SCAPE Framework) has been procured by the SCAPE Group a public-sector partnership in accordance with the public procurement regulations and therefore the procurement will comply with the Council's Financial and Contract Procedure rules and the public procurement regime. The framework is available to any public body in the United Kingdom. A contract will be entered into with Balfour Beatty Civil Engineering Ltd for the construction of the works in accordance with the Delivery Agreement approved by the Project Board.</p>

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	✓
equality and diversity	x
sustainability	x
health and safety	x

risks/implications	✓ / x
asset management	✓
climate change	✓
ICT	x
data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

report author	telephone no.	email	date
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List of background papers:		
name of document	Date	where available for inspection
None		

List of appendices

Appendix 1 – Financial Summary.

dem/ph/re/cr/21/0008cg3

Wyre Beach Management Capital Scheme

Appendix 1

Forecast Expenditure for Whole Scheme

	Overall	19/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	Project	Advanced	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	Spend	Spend	Actuals	Estimate	Estimate	Estimate	Estimate	Estimate
	£	£	£	£	£	£	£	£
Actual Expenditure	697,922	25,367	672,555					
Forecast Spend Profile for Phase 1	4,083,900			1,369,248	2,714,653			
Forecast Spend Profile for Phase 2	37,785,111			1,406,345	7,674,005	11,736,713	11,736,713	5,231,335
	42,566,934	25,367	672,555	2,775,593	10,388,657	11,736,713	11,736,713	5,231,335

Capital Scheme Budget

	Overall	19/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	Project	Advanced	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	Budget	Spend	Budget	Budget	Budget	Budget	Budget	Budget
	£	£	£	£	£	£	£	£
Reprofiled Budget Allocation (PH report Aug 2021)	4,000,000	25,367	672,555	2,775,593	526,485			
Additional Budget to be Approved (PH report Aug 2021)	38,566,934				9,862,172	11,736,713	11,736,713	5,231,335
	42,566,934	25,367	672,555	2,775,593	10,388,657	11,736,713	11,736,713	5,231,335

For reference: [historical budget approvals and allocations](#)

	Overall	19/20	2020/21	2021/22
	Project	Advanced	2020/21	2021/22
	Budget	Spend	Budget	Budget
	£	£	£	£
Original Capital Allocations (PH report May 2020)	4,000,000	25,367	3,974,633	
Current Capital Allocations (allowing for 20/21 Slippage - Audit Committee July 2021)	4,000,000	25,367	672,555	3,302,078