



# Cabinet

Members are invited to a **Meeting of the Cabinet** to be held in the Deben Conference Room, East Suffolk House, Melton on **Tuesday, 11 July 2023 at 6.30pm**

This meeting will be broadcast to the public via the East Suffolk YouTube Channel at <https://youtube.com/live/ZWs7D125IB8?feature=share>.

## Members:

Councillor Caroline Topping (Leader of the Council), Councillor David Beavan (Deputy Leader and Housing), Councillor Paul Ashton (Corporate Services – Digital, Customer Services, HR and Assets), Councillor Tom Daly (Energy and Climate Change), Councillor Katie Graham (Communities, Leisure and Tourism), Councillor Toby Hammond (Economic Development and Transport), Councillor Vince Langdon-Morris (Resources and Value for Money), Councillor Mike Ninnmey (Community Health), Councillor Rachel Smith-Lyte (The Environment), Councillor Kay Yule (Planning and Coastal Management)

An Agenda is set out below.

## Part One – Open to the Public

Pages

### 1 Apologies for Absence

To receive apologies for absence, if any.

### 2 Declarations of Interest

Members and Officers are invited to make any declarations of interests, and the nature of that interest, that they may have in relation to items on the Agenda and are also reminded to make any declarations at any stage during the Meeting if it becomes apparent that this may be required when a particular item or issue is considered.

### 3 Announcements

To receive any announcements.

### 4 Minutes

To confirm as a correct record the Minutes of the meeting held on 6 June 2023.

1 - 8

## KEY DECISIONS

### 5 RingGo: Contract renewal ES/1564

Report of the Cabinet Member with responsibility for Corporate Services - Digital, Customer Services, HR and Assets.

9 - 14

<b>Part One – Open to the Public</b>		<b>Pages</b>
<b>6</b>	<b>Draft Outturn 2022/23 and 2023/24 Quarter 1 Budget Outlook ES/1579</b> Report of the Cabinet Member with responsibility for Resources and Value for Money.	<b>15 - 43</b>
	<b>NON-KEY DECISIONS</b>	
<b>7</b>	<b>Appointments to the Environment Task Group ES/1566</b> Report of the Cabinet Member with responsibility for the Environment.	<b>44 - 50</b>
<b>8</b>	<b>Resilient Coasts Project Board Governance Structure ES/1567</b> Report of the Cabinet Member with responsibility for Planning and Coastal Management.	<b>51 - 141</b>
<b>9</b>	<b>Appointments to Southwold Harbour Management Committee (SHMC) ES/1565</b> Report of the Cabinet Member with responsibility for Planning and Coastal Management	<b>142 - 152</b>
<b>10</b>	<b>Quarterly Southwold Harbour Update ES/1568</b> Report of the Cabinet Member with responsibility for Planning and Coastal Management	<b>153 - 162</b>
<b>11</b>	<b>Housing Regulation Quarterly Update ES/1582</b> Report of the Deputy Leader and Cabinet Member with responsibility for Housing.	<b>163 - 185</b>
<b>12</b>	<b>Exempt/Confidential Items</b> It is recommended that under Section 100A(4) of the Local Government Act 1972 (as amended) the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act.	
<b>Part Two – Exempt/Confidential</b>		<b>Pages</b>
<b>13</b>	<b>Exempt Minutes</b> <ul style="list-style-type: none"> <li>• Information relating to any individual.</li> <li>• Information relating to the financial or business affairs of any particular person (including the authority holding that information).</li> </ul>	
	<b>KEY DECISIONS</b>	
<b>14</b>	<b>Improving Access to the Private Rented Sector</b> <ul style="list-style-type: none"> <li>• Information relating to the financial or business affairs of any particular person (including the authority holding that information).</li> </ul>	
<b>15</b>	<b>East Suffolk Play Action Plan 2023 - 2027</b> <ul style="list-style-type: none"> <li>• Information relating to the financial or business affairs of any particular person (including the authority holding that information).</li> </ul>	

**Close**



Chris Bally, Chief Executive

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### **The national Charter and Charter Plus Awards for Elected Member Development**

East Suffolk Council is committed to achieving excellence in elected member development

[www.local.gov.uk/Community-Leadership](http://www.local.gov.uk/Community-Leadership)

<b>Unconfirmed</b>
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Minutes of a Meeting of the **Cabinet** held in the Conference Room, Riverside, Lowestoft, on **Tuesday, 6 June 2023 at 6.30pm.**

**Members of the Cabinet present:**

Councillor Paul Ashton, Councillor David Beavan, Councillor Tom Daly, Councillor Katie Graham, Councillor Toby Hammond, Councillor Vince Langdon-Morris, Councillor Mike Ninnmey, Councillor Rachel Smith-Lyte, Councillor Caroline Topping, Councillor Kay Yule

**Other Members present:**

Councillor Paul Ashdown, Councillor Peter Byatt, Councillor Julia Ewart, Councillor Craig Rivett

**Officers present:**

Chris Bally (Chief Executive), Chris Bing (Head of Legal and Democratic Services), Kerry Blair (Head of Operations), Kate Blakemore (Strategic Director), Andy Jarvis (Strategic Director), David Johnson (Asset and Investment Consultant), Phil Harris (Strategic Communications and Marketing Manager), Nick Khan (Strategic Director), Matt Makin (Democratic Services Officer (Regulatory)), Andrea McMillan (Planning Manager (Policy, Delivery and Specialist Services)), Adam Nicholls (Principal Planner (Policy and Delivery)), Philip Ridley (Head of Planning and Coastal Management), Ben Woolnough (Planning Manager (Development Management, Major Sites and Infrastructure)), Nicola Wotton (Deputy Democratic Services Manager)

**1 Apologies for Absence**

Apologies for absence were received from Councillor Sarah Plummer, Assistant Cabinet Member for the Environment.

**2 Declarations of Interest**

Councillor Ninnmey declared that he had a Non Registerable Interest in Item 9 - Community Infrastructure Levy (CIL) Charging Schedule, East Suffolk CIL Instalment Policy and East Suffolk CIL Discretionary Social Housing Relief Policy, as he was a member of the Patient Participation Group at Grove Medical Centre in Felixstowe, which may be discussed during that item.

Councillor Topping also declared that she had a Non Registerable Interest in Item 9 - Community Infrastructure Levy (CIL) Charging Schedule, East Suffolk CIL Instalment Policy and East Suffolk CIL Discretionary Social Housing Relief Policy, as she was the Elected Member for Beccles and Worlingham Ward, and Beccles Town Council was

strongly opposed to the proposed CIL rate for the Beccles and Worlingham Garden Neighbourhood.

### **3 Announcements**

No announcements were made.

### **4 Minutes**

On the proposition of Councillor Hammond, seconded by Councillor Daly, it was by a unanimous vote

#### **RESOLVED**

That the minutes of the meeting held on 7 March 2023 be agreed as a correct record and signed by the Chair.

### **5 Appointments to Outside Bodies for 2023/24 (Executive)**

Cabinet received report **ES/1547** by the Leader of the Council, which sought the appointment of Councillors to Outside Bodies relating to Executive Functions, as outlined at Appendix A to the report.

It was noted that the Cabinet appointed annually to a wide range of diverse Outside Bodies; some appointments were made because of a statutory requirement to appoint one or more Cabinet Members to them, however, most appointments were discretionary, and took into consideration how representation added value. The appointment of Cabinet Members provided support to the organisation concerned and enabled Cabinet Members to fulfil their community leadership roles.

In response to a query from Councillor Byatt, the Leader reported that updates from Members regarding their Outside Body appointments were provided at Full Council meetings, to ensure all Members were kept apprised of developments. A schedule of future updates would be circulated to Members in due course.

The recommendations in the report were moved and seconded and it was

#### **RESOLVED**

1. That councillors be appointed to those outside bodies listed in Appendix A to the report for the 2023/24 municipal year.
2. That the Leader of the Council be authorised to fill any outstanding vacancies left unfilled by the Cabinet.
3. That the Leader of the Council be granted delegated authority to make any necessary changes to the members of the outside bodies for the remainder of the 2023/24 Municipal Year.

## **6 Appointments to the Shareholder Reference Group (SRG)**

Cabinet received report **ES/1552** by the Leader of the Council, which sought to appoint Members of the Cabinet to the Shareholder Reference Group (SRG). The Leader reported that the Council had established a number of companies within a group structure, including East Suffolk Services Limited (ESSL), which would take over services from the current Norse joint ventures in July 2023.

In order to provide the appropriate control and governance role that the Council needed in relation to its group companies, a Committee of Cabinet, known as the Shareholder Reference Group (SRG), had been established in September 2022.

Following the election on 4 May 2023 and the appointment of a new Cabinet at the Full Council meeting on the 24 May 2023, Cabinet Members needed to be appointed to the SRG for a four-year term so that it could continue its work.

On the proposition of Councillor Yule, seconded by Councillor Ashton, it was by unanimous vote

### **RESOLVED**

That the appointment of Councillor Caroline Topping, Leader of the Council, Councillor Paul Ashton, Cabinet Member with responsibility for Corporate Services – Digital, Customer Services, HR and Assets, Councillor Toby Hammond, Cabinet Member with responsibility for Economic Development and Transport, Councillor Rachel Smith-Lyte, Cabinet Member with responsibility for the Environment and Councillor Vince Langdon-Morris, Cabinet Member with responsibility for Resources and Value for Money, to the Shareholder Reference Group be approved for a four-year term, until the Annual Full Council Meeting in May 2027.

## **7 Appointment of the Director and Alternate Director of Freeport East Limited**

Cabinet received report **ES/1553** by the Leader of the Council, which sought to appoint a Director and an Alternate Director of Freeport East Limited. The Leader reported that Freeport East had been announced in March 2021 as one of eight Freeports in England and became a 'live' Freeport in December 2021. The anticipated sub-regional economic benefits from Freeport East were significant and included 13,500 new jobs, additional 1.3m tonnes of international trade and an uplift in sub-regional GVA of up to £16.6bn.

Councillor Topping reported that East Suffolk Council was the Lead Authority and Accountable Body for Freeport East. There was a requirement for each of the founding member authorities to appoint a Director to the Supervisory Board of Freeport East Limited. Councillor Steve Gallant, then Leader of the Council, was appointed as East Suffolk Councils Director of Freeport East Limited on 23 August 2022, and had resigned with effect from the 9 May 2023. In order for Freeport East Limited to continue to carry out its work, a new Director needed to be appointed by East Suffolk Council. It was therefore proposed that Councillor David Beavan be appointed as East Suffolk Councils Director of Freeport East Limited and that Chris Bally, Chief Executive of East Suffolk

Council, be appointed as East Suffolk Council's Alternate Director of Freeport East Limited.

Councillor Rivett asked why the Deputy Leader had been nominated for the role, when the role had previously been filled by the Leader, and he queried whether the Cabinet Member for Economic Development had been considered for the role? The Leader responded that she had been unable to undertake the role herself and she had offered it to the Deputy Leader instead. She stated that the Cabinet Member with responsibility for Economic Development had not been considered for the role, as they also worked full time and had a young family. Councillor Hammond commented that he would be liaising closely with the Councillor Beavan regarding Freeport East. Councillor Beavan reported that he was looking forward to taking on the role.

Councillor Smith-Lyte stated that she lamented the Council's involvement with Freeport East due to the risk of Freeports becoming tax havens, for the potential for workers rights to be compromised, that income may be kept from Councils and the Treasury by landowners and businesses sending profits offshore. She stated that the EU had clamped down on free zones within its jurisdiction over tax evasion, corruption and crime concerns. Freeports were predominantly supported by those who had voted to leave the EU and there were concerns they would primarily benefit the ultra-wealthy. Councillor Smith-Lyte recognised that Freeports were a national initiative and had been inherited from the last administration.

Councillor Beavan commented that he shared those concerns and had raised these issues with officers. Regarding the creation of jobs, it was clear in the documentation that these would genuinely be new jobs and not the re-allocation of staff for tax benefits. Councillor Beavan stated that Freeport East had to be used as an opportunity for green growth, including the exploration of green hydrogen fuels and that he would work to ensure the Freeport was run properly.

On the proposition of Councillor Topping, seconded by Councillor Daly, it was by unanimous vote

#### **RESOLVED**

1. That Councillor David Beavan be appointed as East Suffolk Council's Director of Freeport East Limited.
2. That Chris Bally, Chief Executive of East Suffolk Council, be appointed as East Suffolk Council's Alternate Director of Freeport East Limited to attend Board meetings in place of the Director when they are unable to attend.

### **8 Appointments to the Community Infrastructure Levy (CIL) Spending Working Group**

Cabinet received report **ES/1554** by the Leader of the Council, which sought the appointment of Councillors to the Community Infrastructure Levy (CIL) Spending Working Group, as outlined within Appendix A to the report.

Councillor Topping reported that the CIL Spending Working Group was a cross party group, responsible for the review of CIL Funding bids and for making recommendations

to Cabinet for approval of the proposed CIL Funding allocations. Following the election held on 4 May 2023, the CIL Spending Working Group needed to have Members appointed to it, in order to carry out its work.

On the proposition of Councillor Topping, seconded by Councillor Langdon-Morris, it was

## **RESOLVED**

That the appointment of the CIL Spending Working Group be approved, as outlined within Appendix A to the report.

### **9 Community Infrastructure Levy (CIL) Charging Schedule, East Suffolk CIL Instalment Policy and East Suffolk CIL Discretionary Social Housing Relief Policy**

Cabinet received report **ES/1548** by the Cabinet Member with responsibility for Planning and Coastal Management and the Cabinet Member with responsibility for Resources and Value for Money, which sought Cabinet's recommendation to the Council that it adopt the East Suffolk Community Infrastructure Levy (CIL) Charging Schedule, along with the East Suffolk CIL Instalment Policy and the East Suffolk CIL Discretionary Social Housing Relief Policy.

Councillor Yule introduced the report stating that the Council had two current CIL charging schedules, one for the former Waveney area (originally adopted in 2013) and one for the former Suffolk Coastal area (originally adopted in 2015). Each schedule was out of date and in need of review, therefore, following the creation of East Suffolk Council and the adoption of Local Plans for the District in 2019 (Waveney) and 2020 (Suffolk Coastal), it was considered appropriate to prepare a single CIL charging schedule for the whole of East Suffolk.

Councillor Ninnmey referred to concerns from local groups in his Ward and the wider Felixstowe Peninsula, that there had been no masterplanning and there was not adequate funding provision for an increase in population, who would all need access to NHS services. Councillor Ninnmey stated that when he had raised these issues prior to being elected, there had been no clear response to any of these concerns. Officers stated that this was an important question and needed to be addressed through Local Plan delivery and CIL spending. There was a considerable increase in the CIL rates, up to 35% in some areas, and this would go some way to helping to address these needs. Health care delivery was one of the most challenging areas, and officers stated that they meet with the Integrated Care Boards (ICBs) on a quarterly basis about this matter and CIL bids were coming in to increase the provision of healthcare infrastructure. Officers stated that an Infrastructure Delivery Plan for Felixstowe and the Trimleys was being prepared and would set out how infrastructure should be delivered over the next 20 years, alongside the developments planned for this area.

Councillor Ninnmey referred to the CIL charges for the Felixstowe area and asked why there was a discrepancy in CIL rates for the area of around £100. Councillor Ninnmey also asked why CIL charges for dwellings currently being built had been allocated to road changes but nothing had been allocated to health, which was concerning when a care home had been planned for this area. Officers stated that the District Council did



not engage directly with GP practices, this was done through the relevant Integrated Care Board (ICB), and that there had been exchanges with surgeries about accessing CIL funding to expand their provision. In relation to CIL charges for specific sites, these had been set based on land values, potential house values and the expected costs of infrastructure requirements for the sites. North Felixstowe had much higher infrastructure requirements, and therefore costs, than the other nearby strategic site in the Trimleys. The Council's proposed CIL rates had been tested by an Independent Examiner and he considered they struck an appropriate balance between costs of infrastructure and expected housing prices, with the exception of the Beccles and Worlingham Garden Neighbourhood, which he concluded should be set at a zero rate (£0) rather than the £30 rate the Council had proposed.

Councillor Ninnmey asked if there was a masterplan for the North Felixstowe Garden Neighbourhood and whether this could be expanded to the wider peninsula. Officers stated that the Council was in the process of preparing a Masterplan, and there would be community engagement on this later in the year. It was reported that a Masterplan would need to be prepared for all of the major allocated sites in the District. It was clear that there were multiple sites where careful planning was needed, and the infrastructure planning was part of this. Health facilities in the area were also being reviewed by the ICBs and this would be fed in.

Councillor Byatt asked whether the Council had sight of plans in adjoining areas which were not covered by existing plans. Officers confirmed that the majority of the District was covered by the Council's Local Plans; the only area which was not covered by these is the Broads Authority area, which was under its own planning jurisdiction.

Councillor Ewart requested that Saxmundham would not be overlooked in any of these discussions.

Councillor Langdon-Morris stated that the new Cabinet had reviewed the CIL documentation which had been inherited from the previous administration. Cabinet appreciated the work of officers in preparing this documentation. In the coming months there would be further review in order to fully understand the revenue generated and how this was to be used across East Suffolk.

Councillor Ashdown stated that he had been a Member of the Local Plan Working Group for sixteen years, and that the CIL schedule and sites had been very carefully considered, and that the zero rate for the Beccles and Worlingham Garden Village recommended by the Examiner was very disappointing. Communities were encouraged to have Neighbourhood Plans in part through the allocation of 25% of CIL to the community, and with a zero rate on this area the community would receive nothing. Likewise in Oulton Broad, the zero rate for that area meant that the Parish Council will not prepare a Neighbourhood Plan.

Councillor Topping commented on the Beccles and Worlingham Garden Neighbourhood, stating that there had been three years of work by officers, external consultation had taken place and an examination had been conducted. Councillor Topping registered her dismay, as the Ward Member for Beccles and Worlingham, that the Garden Neighbourhood had been given a zero rate. She stated that she understood that the developers would be delivering a school, village hall, sports fields, country park

and green corridors, in addition to 30% affordable housing, but that the site may not be viable for developers and therefore may not be delivered if the Council tried to challenge the zero rate that had been recommended. Historically, dwellings had been built in small areas of the Ward with no funding or changes to infrastructure. Councillor Topping stated that she would not be voting against this proposal and therefore having to take it back to a much earlier stage, but that she encouraged all communities who would be in a zero-rated area for CIL to engage with the CIL Spending Working Group – bids for funding from the district-wide CIL pot were not precluded.

Councillor Ninnmey stated that responses to Neighbourhood Plans in his Ward had been negative, despite the provision of CIL revenue, and that he was concerned communities would be missing out on a vital tool to shape their local area.

Councillor Topping stated that Masterplans were being drawn up for major sites and encouraged communities to get involved with the process.

On the proposition of Councillor Yule, seconded by Councillor Hammond, it was

### **RESOLVED**

1. That it be recommended to Council that it resolves to approve:
  - a. the East Suffolk Community Infrastructure Levy Charging Schedule (allowing for the modifications recommended by the Examiner to address the areas of non-conformity with the legislative drafting requirements);
  - b. the East Suffolk Community Infrastructure Levy Instalment Policy; and
  - c. the East Suffolk Community Infrastructure Levy Discretionary Social Housing Relief Policy,and bring these three documents into effect on 1st August 2023.
  
2. That it be recommended to Council that it resolves to authorise the Head of Planning and Coastal Management, in consultation with the Cabinet Member with responsibility for Planning and Coastal Management, to make any relevant presentational and typographical amendments to the East Suffolk Community Infrastructure Levy Charging Schedule, East Suffolk Community Infrastructure Levy Instalment Policy and East Suffolk Community Infrastructure Levy Discretionary Social Housing Relief Policy prior to them coming into effect.
  
3. That it be recommended to Council that it resolves to authorise the Head of Planning and Coastal Management, in consultation with the Cabinet Member with responsibility for Planning and Coastal Management, to remedy any “correctable errors” to the East Suffolk Community Infrastructure Levy Charging (should any be discovered in the period up to six months after the Community Infrastructure Levy Charging Schedule has been approved).

### **10 Exempt/Confidential Items**

On the proposition of Councillor Yule, seconded by Councillor Beavan, it was by a unanimous vote

**RESOLVED**

That under Section 100A(4) of the Local Government Act 1972 (as amended) the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1 and 3 of Part 1 of Schedule 12A of the Act.

**11 Exempt Minutes**

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).
- Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
- Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.

**12 Sale of Commercial/Residential Asset - Lowestoft**

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).

**13 Acquisition of Commercial Asset - Lowestoft**

- Information relating to any individual.
- Information relating to the financial or business affairs of any particular person (including the authority holding that information).

**14 Sale of Commercial/Residential Asset - Wickham Market**

- Information relating to the financial or business affairs of any particular person (including the authority holding that information).

The meeting concluded at 7.45pm

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Chair



**CABINET**  
**Tuesday, 11 July 2023**

<b>Subject</b>	RingGo: Contract renewal
<b>Report by</b>	Councillor Toby Hammond Cabinet Member with responsibility for Economic Development and Transport
<b>Supporting Officers</b>	Andrew Jarvis Strategic Director <a href="mailto:andrew.jarvis@eastsoffolk.gov.uk">andrew.jarvis@eastsoffolk.gov.uk</a>  Lewis Boudville Transport, Infrastructure & Parking Services Manager <a href="mailto:parking.services@eastsoffolk.gov.uk">parking.services@eastsoffolk.gov.uk</a>

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is <b>NOT</b> in the public interest to disclose the exempt information.	Not applicable.
<b>Wards Affected:</b>	All Wards

## Purpose and high-level overview

### **Purpose of Report:**

To seek approval for the renewal of the RingGo contract which will enable visitors choosing to drive to East Suffolk's towns and attractions to continue to use the cashless parking app. for navigation, payments, and parking sessions extensions, and the telephone (interactive voice recognition (IVR)) service for payments only.

### **Options:**

1. Do not renew the contract with RingGo.
2. Undertake a full procurement process for an alternative cashless parking provider.
3. Renew the contract with RingGo.

### **Recommendations:**

1. That Option 3, to renew the contract with RingGo, be approved.
2. That authority be delegated to the Head of Operations, in consultation with the Cabinet Member with responsibility for Economic Development and Transport, to award the contract for the cashless parking service, after undertaking a procurement exercise pursuant to the Council's Contract Procedure Rules and Public Contract Regulations 2015.

## Corporate Impact Assessment

### **Governance:**

Regular review meetings with the Portfolio Holder for Transport.

### **ESC policies and strategies that directly apply to the proposal:**

Climate Emergency Declaration 2019

East Suffolk Strategic Plan 2020 – 2024

### **Environmental:**

Options 3 positively contributes to the environmental and carbon neutral aims of the East Suffolk Strategic Plan 2020-2024 where we promise to put environmental issues at the heart of everything we do. Providing a cashless parking solution reduces the carbon emissions generated from collecting coins from machines and banking them.

### **Equalities and Diversity:**

EQIA518577433 has been completed and positive impacts are effective for the disability and pregnancy protected characteristics in the context of mobility. The race characteristic also positively affected in terms of language accessibility. No negative impacts are identified for the other protected characteristics.

### **Financial:**

Revenue expenditure will continue to be required to deliver recommendation 3. However, the continued use of the RingGo solution has no capital investment requirement, whereas switching to another service provider at this time will.

<b>Human Resources:</b>
None arising directly from the recommendations of this report.
<b>ICT:</b>
The views of the Head of Digital have been sought and support obtained for the recommendation for option 3.
<b>Legal:</b>
None arising directly from the recommendations of this report.
<b>Risk:</b>
None arising directly from the recommendations of this report.

<b>External Consultees:</b>	None required from the recommendations of this report.
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## Strategic Plan Priorities

Select the priorities of the <a href="#">Strategic Plan</a> which are supported by this proposal:		Primary priority	Secondary priorities
<b>T01</b>	<b>Growing our Economy</b>		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P02	Attract and stimulate inward investment	<input type="checkbox"/>	<input type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P05	Support and deliver infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T02</b>	<b>Enabling our Communities</b>		
P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P07	Taking positive action on what matters most	<input type="checkbox"/>	<input type="checkbox"/>
P08	Maximising health, well-being and safety in our District	<input type="checkbox"/>	<input type="checkbox"/>
P09	Community Pride	<input type="checkbox"/>	<input type="checkbox"/>
<b>T03</b>	<b>Maintaining Financial Sustainability</b>		
P10	Organisational design and streamlining services	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P11	Making best use of and investing in our assets	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P12	Being commercially astute	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P13	Optimising our financial investments and grant opportunities	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P14	Review service delivery with partners	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>T04</b>	<b>Delivering Digital Transformation</b>		
P15	Digital by default	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P16	Lean and efficient streamlined services	<input checked="" type="checkbox"/>	<input type="checkbox"/>
P17	Effective use of data	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P18	Skills and training	<input type="checkbox"/>	<input type="checkbox"/>
P19	District-wide digital infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T05</b>	<b>Caring for our Environment</b>		
P20	Lead by example	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P21	Minimise waste, reuse materials, increase recycling	<input type="checkbox"/>	<input type="checkbox"/>

P22	Renewable energy	<input type="checkbox"/>	<input type="checkbox"/>
P23	Protection, education and influence	<input type="checkbox"/>	<input type="checkbox"/>
XXX	<b>Governance</b>		
XXX	How ESC governs itself as an authority	<input type="checkbox"/>	<input type="checkbox"/>
<b>How does this proposal support the priorities selected?</b>			
It recognises the importance of delivering enhanced services via digital transformation, whilst at the same time providing a digital choice that satisfies our customers' demands.			

## Background and Justification for Recommendation

1 Background facts	
1.1	On 4 <sup>th</sup> February 2020, Cabinet considered a report that prepared for the administration of Civil Parking Enforcement, including simplified parking fee tariffs, and adopting better use of technology.
1.2	Cabinet resolved to simplify parking tariffs; encourage the use of the cashless parking app. for navigation, payments, and parking sessions extensions, and the telephone (interactive voice recognition (IVR)) service for payments only; and to absorb the cost of the 20p convenience fee the drivers paid for each transaction.
1.3	A full review of cashless payment service providers was completed during 2019/20, and RingGo was determined the most appropriate partner at that time.
1.4	Improved terms were negotiated including a reduced convenience fee amount, lower banking charges, the removal of zone configuration fees, a shorter contract termination period, and a full RingGo signs replacement programme at zero-cost to the Council.
1.5	Whilst the penetration rate was calculated to be less than the Public Procurement Threshold amount at that time, the high RingGo usage observed now causes the contract value to exceed it, so Cabinet approval must be sought.
1.6	This report discusses and makes recommendations for extending the RingGo contract for the same terms and a full RingGo signs replacement programme.

2 Current position	
2.1	The RingGo contract period expired 6 <sup>th</sup> April 2023, and automatic annual renewal is in effect.
2.2	The resolutions made on 4 <sup>th</sup> February 2020 have: <ol style="list-style-type: none"> <li>a. Significantly increased RingGo sessions from typically less than 150,000 (of 2.8M) parking sessions each year prior to 2020, to 1.4M (of 2.9M) parking sessions in 2022/23.</li> <li>b. Removed cash collection for approximately £2.4M each year in coins saving approximately 2.6 tonnes/year of CO<sub>2</sub> from the diesel-powered vans that undertakes the service.</li> </ol>
2.3	The contract value comprises: <ol style="list-style-type: none"> <li>a. Convenience fees paid by the Council.</li> <li>b. SMS confirmations and SMS parking session reminders opted into by the driver.</li> <li>c. Payment card processing fees paid for by the Council.</li> <li>d. Monthly licence fees for newer 'Kiosk' and 'Corporate wallet' services paid for by the Council.</li> </ol>
2.4	Whilst the fees are low, it is the volume of parking sessions administered via RingGo that achieved the 2022/23 contract value of £317k.

3 How to address current situation	
3.1	To continue with a cashless payment parking solution is desirable because it satisfies the Council's Strategic Plan theme of 'Delivering Digital Transformation', positively contributes to decarbonising service delivery, and provides a service for



	approximately 100,000 regular users each month. These positive impacts can continue with the renewal of the RingGo contract.
3.2	The RingGo solution remains fit for purpose and meets the Council's business needs, and other solutions on the market do not offer the same range of services. To move to a different supplier at this time will cause major disruption for drivers accessing the Council's parking services given the consideration below at paragraph 3.5.
3.3	An exemption from the Contract Procedure Rules is not permitted because the RingGo contract value exceeds the Public Procurement Threshold.
3.4	A direct award using a procurement framework is permitted and the contract extension will be awarded on this basis. The Procurement team is reviewing the ESPO Parking Management Solutions and CCS Digital Marketplace frameworks; however, Cabinet approval is required because the RingGo contract value exceeds the Public Procurement Threshold.
3.5	In the context of 'Alliance for Parking Data Standards' and the 'National Parking Platform', advocacy from the parking digital service providers is for a more customer-centric open-market approach where all cashless service providers may seek approval from a car park operator to offer its services at a location. The projects and approach are in their infancy, but importantly, the proposed contract renewal with RingGo does not preclude such an approach should the Council wish to effect it for its car parks in East Suffolk.
3.6	A Cabinet report regarding the customer-centric open-market approach from the 'Alliance for Parking Data Standards' and 'National Parking Platform' projects will be presented to Cabinet should the advocated practice be proven and desirable for the Council's delivery of parking services.

#### 4 Reasons for recommendations

4.1	To retain the RingGo parking solution for the benefit of: <ul style="list-style-type: none"> <li>a. the Council's customers regularly using its car parks who will experience service continuity for convenient access to parking.</li> <li>b. decarbonising the administration of the Council's cash collection operation.</li> <li>c. achieving improved value from the contract by undertaking a signs replacement programme at zero-cost to the public purse.</li> <li>d. no capital investment on the public purse.</li> </ul>
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## Appendices

### Appendices:

None.

### Background reference papers:

None.



**CABINET**  
**Tuesday, 11 July 2023**

<b>Subject</b>	Draft Outturn 2022/23 & 2023/24 Quarter 1 Budget Outlook
<b>Report by</b>	Councillor Vince Langdon-Morris Cabinet Member with Responsibility for Resources and Value for Money
<b>Supporting Officer</b>	Lorraine Rogers Acting Chief Finance Officer & S151 Officer <a href="mailto:lorraine.rogers@east Suffolk.gov.uk">lorraine.rogers@east Suffolk.gov.uk</a>

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is <b>NOT</b> in the public interest to disclose the exempt information.	N/A
<b>Wards Affected:</b>	All Wards

## Purpose and high-level overview

### **Purpose of Report:**

This report provides Cabinet with an overview of the Council's unaudited financial performance for 2022/23 in respect of the General Fund, Reserves, Housing Revenue Account (HRA), the Capital Programme and the Collection Fund.

For 2022/23 the Council's General Fund realised a surplus year end position of £0.768m. This report seeks approval for the surplus to be transferred to earmarked reserves as outlined in the recommendations. The report also seeks approval of the year end movements to and from the Council's other Earmarked Reserves as shown in **Appendix F**.

This report also provides Cabinet with an initial budget outlook for the year ahead as at Quarter 1 of 2023/24.

### **Options:**

The year-end outturn surplus could be transferred to different earmarked reserves. The most suitable alternative would be the In-Year Savings Reserves - its purpose is to provide funding to address future budget pressures. It was anticipated for this reserve to be used (£1.098m) to balance the General Fund budget for the year. However, given the surplus position this was not required, placing the Council in a stronger than expected financial position going into 2023/24. It is therefore considered an opportunity to set aside funds in Reserves for projects and initiatives to support Council priorities and potential budget pressures identified in a specific service.

### **Recommendation/s:**

Cabinet is recommended to:

1. Note the Council's draft outturn position for 2022/23 together with reserves and balances as of 31 March 2023.
2. Approve the transfers to and from reserves shown in **Appendix F**, including the transfer of the General Fund outturn surplus as follows:
  - £0.200m to the Transformation Reserve – Environment Theme
  - £0.100m to the Transformation Reserve – Digital Theme
  - £0.200m to the Revenues & Benefits Admin Reserve
  - £0.268m to the In-Year Savings Reserve
3. Approve budget carry forward requests above £0.03m set out in **paragraph 2.4**.
4. Note the key financial considerations for 2023/24.

## Corporate Impact Assessment

### **Governance:**

The process for approval and publication of the Statement of Accounts is set out in the Accounts and Audit Regulations 2015. The date for signing and dating the draft 2022/23 Statement of Accounts is by 31 May 2023, for publication on 1 June 2023. The deadline for the publication of the final audited accounts is 30 September 2023. On completion of the audit, the audited Accounts are reported to the Audit and Governance Committee for its consideration.

The outturn position will feed into the review and update of the Medium-Term Financial Strategy, the Capital Programme, and the Housing Revenue Account in the 2024/25 budget process. This will inform decisions for the 2024/25 budget which will be presented to Members for their approval and consideration during 2023/24.

As set out in the Council's Finance Procedure Rules, requests to carry forward an individual revenue budget at the end of the year of up to £0.03m, can be approved by the Chief Finance Officer. Requests over £0.03m require Cabinet approval.

The financial procedure rules require that the CFO to "prepare and submit quarterly financial reports to Cabinet.

### **ESC policies and strategies that directly apply to the proposal:**

- East Suffolk Strategic Plan
- East Suffolk Medium Term Financial Strategy
- Capital Programme
- Housing Revenue Account
- East Suffolk Treasury Management Strategy and Treasury Management Policy
- Annual Governance Statement
- Finance Procedure Rules

### **Environmental:**

There are no direct environmental implications identified.

### **Equalities and Diversity:**

An Equality Impact Assessment is not required as the recommendations of this report do not require changes in policy and service delivery.

### **Financial:**

The transfer of the outturn surplus to the proposed reserves will boost the Council's ability to deliver on longer term environmental and digital transformation efforts and increase the resilience of our revenues and benefits administration service considering anticipated pay pressures.

### **Human Resources:**

There are no Human Resource implications identified.

### **ICT:**

There are no ICT implications identified.

### **Legal:**

There are no legal implications identified.

### **Risk:**

There are no risks identified.

**External Consultees:** None.

## Strategic Plan Priorities

Select the priorities of the <a href="#">Strategic Plan</a> which are supported by this proposal: <i>(Select only one primary and as many secondary as appropriate)</i>		Primary priority	Secondary priorities
<b>T01</b>	<b>Growing our Economy</b>		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P02	Attract and stimulate inward investment	<input type="checkbox"/>	<input type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P05	Support and deliver infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T02</b>	<b>Enabling our Communities</b>		
P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P07	Taking positive action on what matters most	<input type="checkbox"/>	<input type="checkbox"/>
P08	Maximising health, well-being and safety in our District	<input type="checkbox"/>	<input type="checkbox"/>
P09	Community Pride	<input type="checkbox"/>	<input type="checkbox"/>
<b>T03</b>	<b>Maintaining Financial Sustainability</b>		
P10	Organisational design and streamlining services	<input type="checkbox"/>	<input type="checkbox"/>
P11	Making best use of and investing in our assets	<input checked="" type="checkbox"/>	<input type="checkbox"/>
P12	Being commercially astute	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P13	Optimising our financial investments and grant opportunities	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P14	Review service delivery with partners	<input type="checkbox"/>	<input type="checkbox"/>
<b>T04</b>	<b>Delivering Digital Transformation</b>		
P15	Digital by default	<input type="checkbox"/>	<input type="checkbox"/>
P16	Lean and efficient streamlined services	<input type="checkbox"/>	<input type="checkbox"/>
P17	Effective use of data	<input type="checkbox"/>	<input type="checkbox"/>
P18	Skills and training	<input type="checkbox"/>	<input type="checkbox"/>
P19	District-wide digital infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T05</b>	<b>Caring for our Environment</b>		
P20	Lead by example	<input type="checkbox"/>	<input type="checkbox"/>
P21	Minimise waste, reuse materials, increase recycling	<input type="checkbox"/>	<input type="checkbox"/>
P22	Renewable energy	<input type="checkbox"/>	<input type="checkbox"/>
P23	Protection, education, and influence	<input type="checkbox"/>	<input type="checkbox"/>
<b>XXX</b>	<b>Governance</b>		
XXX	How ESC governs itself as an authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>How does this proposal support the priorities selected?</b>			
An early appreciation of the budget pressures and opportunities for the current financial year will inform the Council's priorities and ensure that decisions throughout the year continue to reflect value for money and support financial sustainability.			

## Background and Justification for Recommendation

1 Background facts	
1.1	<p><b>Draft Outturn Position 2022/23</b></p> <p>The Council’s accounts for the year ended 31 March 2023 (2022/23 year) have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 (the Code) issued by the Chartered Institute of Public Finance and Accountancy (CIPFA). In England and Wales, the local authority Code constitutes “proper accounting practice” under the terms of Section 21(2) of the Local Government Act 2003.</p>
1.2	<p>The Statement of Accounts for 2022/23 is subject to external audit review and therefore the outturn position for the Council as presented in this report is a draft position. On completion of the audit, the audited Statement of Accounts will be recommended to the Audit and Governance Committee.</p>
1.3	<p>The Narrative Report which is a key accompanying document to the Council’s Statement of Accounts provides an easy-to-follow communicating platform to engage with stakeholders. The Narrative Report assists the Council to demonstrate its achievements over the year and how well the authority is equipped to deal with the challenges and opportunities ahead. The Council’s Narrative Report is published as an integral part of the Council’s Statement of Accounts, a draft of which will be presented to the Audit and Governance Committee on 10 July 2023.</p>
1.4	<p>The careful management of reserves is central to the Council’s strategic financial planning process, to be able to manage expected and unforeseen events and circumstances and to ensure adequate balances are in place for East Suffolk Council.</p>
1.5	<p>The national economic background affects the costs the Council incurs, the funding it receives, and contributes to the demand for services as residents are affected by economic circumstances. The inflation rate impacts the cost of services to the Council, as the Council delivers much of its service provision through contractual arrangements.</p>
1.6	<p>Twelve-month Consumer Price Index (CPI) inflation in May remained unchanged from April at 8.7%.</p>
1.7	<p>The Bank of England’s Monetary Policy Committee, voted by a majority of 7–2 to increase the Bank Rate by 0.50 percentage points, to 5% at its meeting on 22 June 2023.</p>

2 Current position	
2.1	<p><b>General Fund Revenue Outturn 2022/23</b></p> <p>The General Fund is the main revenue fund from which the Council’s services are met. The Council’s net expenditure is financed from Council Tax and Business Rates income and Government Grants. <b>Appendix A</b> shows the outturn position for 2022/23, actual compared to the revised budget.</p>
2.2	<p>The summary in <b>Appendix B</b> provides details of the key budget variances for 2022/23, giving the surplus outturn position of £0.768m.</p>

Staffing is the largest area of direct spend to the Council. The year end variance against the revised budget was an underspend of £0.160m. This includes a budgeted allowance for vacancies and the use of contract staffing, in particular where recruitment to specialist roles has been more difficult. It should also be noted that some roles are funded via external funding.

The Council has benefited from the rise in interest rates, generating additional income from its treasury management activities. An additional £1m of income was received when compared to the revised budget.

The Council generated £17.3m of income from its fees and charges (excluding Port Health) and this was slightly under the revised budget by £0.153m.

**2.3 Suffolk Coastal Port Health Authority (SCPHA)**

This is the service that responsible for carrying out checks at the ports/ borders to make sure that food imported into the UK via Felixstowe Port is safe to eat and that import conditions have been met. SCPHA is a unique part of the Council because although it remains part of the General Fund it, holds its own reserve to limit the service impact on the core General Fund.

The council achieved a balanced 2022/23 Port Health outturn using various external funding earmarked for COVID recovery and post BREXIT preparation.

The cost to balance the outturn in 2022/23 was £0.727m. SCPHA income was down £0.453m against the budget for 2022/23. Felixstowe port experienced a strike action which impacted imports requiring checks and therefore SCPHA's 2022/23 income. There have also been inflationary pressures on the technological supplies and services.

**2.4 Year End Revenue Budget Carry Forwards**

For 2022/23 a single revenue budget carry forward request in excess of £0.030m requires Cabinet approval:

Description	Amount Requested £	Comments/Reason for Carry Forward
Heritage action zone north	39,500	The Council has entered into a grant agreement with applicants to fund repairs and reinstatements to their buildings. Unforeseen delays have delayed grant claims from the applicants. Funding is proposed to be ringfenced for each project to honour the grant agreements.

Individual carry forward requests of £0.030m or less are approved by the Chief Finance Officer. These total £0.064m for 2022/23 and are detailed in **Appendix E** for information.

**2.5 General Fund Reserves and Balances**

The Council holds several earmarked revenue reserves which have been established to meet known or predicted commitments, and to hold balances of grants and external funding which is committed to future spend. The Council

reviews these reserves to ensure the levels continue to be appropriate and if no longer required, are returned to the General Fund.

The total balance on the Council's General Fund Earmarked Reserves on 31 March 2023 is £48.5m. This is a decrease of £13.3m on the position as of 31 March 2022 but £5.6m less than forecast in the MTFs. The key movements relate to the release of Covid funding held in the Covid Reserve at March 2022, and use of the Capital Reserve to fund the capital programme. Other key projects funded by earmarked reserves during the year include the Towns fund programme, the Operations transition programme and various community projects funded from the NHB reserve. The General Fund balance remains at £6m. Reserve balances are summarised below and are shown in more detail in **Appendix D**.

Reserve	Actual April 2022 £'000	2022/23 Forecast £'000	Actual 31 March 2023 £'000	Variance from Forecast £'000
<b>Unallocated Financial Reserves</b>	6,000	6,000	6,000	0
<b>Earmarked Reserves:</b>				
Grants/Funding carried Forward	6,861	4,653	5,804	1,151
Planned Future Capital Spending	5,104	791	1,161	370
Planned Future Revenue Spending	19,130	14,088	16,540	2,452
Risk Based	20,590	18,899	20,199	1,300
COVID Reserve	5,882	1,186	1,165	(20)
Port Health	4,315	3,286	3,669	383
<b>Total Earmarked Reserves</b>	<b>61,882</b>	<b>42,903</b>	<b>48,538</b>	<b>5,636</b>

2.6 Earmarked Reserves to highlight include:

- **Business rates equalisation reserve (£15.213m)** – This is income from Business Rates which is set aside to equalise the fluctuations in recognising Business Rate income due to timing differences, in relation to Business Rates appeals and for year-end surpluses / deficits.
- **New homes bonus reserve (£5.439m)** – The Council received NHB funding of £1.649m and spent £1.790m supporting various community initiatives - enabling communities project and community and strategic partnerships.
- **Port health (£3.669m)** – This reserve provides a source of finance to support the future development of the authority's infrastructure at the Port of Felixstowe. Port Health revenues dipped this year because of Port of Felixstowe staff strike actions which restricted the flow of trade through the ports, reducing the checks required by Port health team. The reserves were drawn from to address the income shortfall. The Port Health reserve balances relate to:
  - Future revenue spend reserve: a risk-based reserve to ensure the authority can consistently protect public and environmental health.
  - ICT reserve to facilitate ongoing re-engineering of the Port Health ICT infrastructure.
- **In-Year savings reserve (£3.711m)** – The in-year savings are typically set-aside in this reserve to support future year budget pressures.
- **COVID-19 response reserve (£1.165m)** – Consisting of Section 31 Grants to fund Covid related Business Rate Reliefs and the Local Authority support grant.



£4.717m was used from this reserve in 2022/23. This reserve will be utilised in 2023/24 to deal with accounting timing differences related to the pandemic impact on business rates, and to fund the ongoing recovery initiatives.

- **Short life asset reserve (£1.120)** – This reserve funds the replacement cycle for key ICT and other equipment requiring frequent replacement. The reserve is regularly topped up from revenue funding given the short life of the assets the reserve is earmarked to fund.
- **Business rate pilot reserve (£0.912m)** – £0.472m was utilised in-year on various approved projects, including the post office redevelopment Bawdsey Quay refurbishment and the first light festival.
- **Capital reserve (£0.042m)** – This reserve provides a source of funding for capital investment projects. £3.583m was used in 2022/23.

## 2.7 Capital Programme 2022/23 – General Fund

Capital expenditure relates to the acquisition of fixed assets or expenditure that adds to (and not merely maintains) the value of an existing fixed asset. Costs of maintaining assets (repairs and maintenance) are funded through the General Fund revenue expenditure.

The General Fund Capital Programme outturn and financing for 2022/23 is summarised below. Borrowing was the main source of financing in 2022/23, providing nearly half the funding required. Despite being a significant source of funding, the borrowing this year has not significantly increased our interest commitment due to its transient nature – i.e., pending government grants which will be received having achieved specified milestones. Grants therefore continue to be a significant source of funding for the capital programme, predominantly for our coastal defence projects.

Service Area	2022/23 Original Budget £'000	2022/23 Revised Budget £'000	2022/23 Outturn £'000	2022/23 Variance £'000
<b>Capital Expenditure</b>				
Economic Development & Regeneration	5,586	1,725	632	(1,093)
Environmental Services & Port Health	406	647	658	11
Financial Services	400	400	12	(388)
ICT - Digital & Programme Management	927	927	480	(447)
Operations	13,901	13,455	6,764	(6,691)
Planning & Coastal Management	19,432	19,632	12,918	(6,714)
General Fund Housing	1,000	1,000	1,742	742
Long Term Debtors	1,500	1,900	1,900	0
Central Government Grant Funding to Freeport East via ESC as Accountable Body	0	250	0	(250)
<b>Total Capital Expenditure</b>	<b>43,152</b>	<b>39,936</b>	<b>25,106</b>	<b>(14,830)</b>
<b>Financed By:-</b>				
Borrowing	8,595	12,397	12,453	56
Capital Receipt	1,000	0	0	0
Contributions	0	0	0	0
Grants	25,534	21,819	7,719	(14,100)
Reserves	8,023	5,720	4,934	(786)
<b>Total Financing</b>	<b>43,152</b>	<b>39,936</b>	<b>25,106</b>	<b>(14,830)</b>

2.8 Capital budgets are approved for the life of the project which can span more than one financial year. Any capital budgets for a project that remain unspent at the end of the financial year are carried forward to the following year for project continuity. Similarly, with projects that are ahead of the original profile, budgets can be brought forward.

During 2022/23, capital projects faced multiple layers of complexities that led to slippage. These ranged from inflationary impacts necessitating project redesign to the impact of closer collaboration with partner organisation on certain projects.

The key variances on the General Fund Capital Programme (actual compared to the revised budget) are set out in **Appendix C**.

2.9 **Capital Programme 2022/23 - Housing Revenue Account (HRA)**

A summary of the HRA Capital Programme for 2022/23 is provided in the table below. The largest area of variance against budget relates to the asset investment which represents upgrades to our existing housing stock. During 2022/23, a new compliance team was put together to facilitate the significant administrative efforts that precede site work to bring more of stock in line with relevant fire regulation and other compliance standards. With the new team in place, work is expected to progress during 2023/24.

	2022/23 Original Budget £'000	2022/23 Revised Budget £'000	2022/23 Outturn £'000	2022/23 Variance £'000
<b>Housing Capital Programme Outturn</b>				
<b>Capital Expenditure</b>				
Asset Investment	9,100	4,369	1,681	(2,688)
Acquisition & Development	15,543	2,270	2,063	(207)
<b>Total HRA Capital Expenditure</b>	<b>24,643</b>	<b>6,639</b>	<b>3,744</b>	<b>(2,895)</b>
<b>Financed By: -</b>				
<b>HRA DRF</b>	5,863	1,186	901	(285)
Capital Receipt	0	0	759	759
Contributions	0	0	403	403
Grants	1,248	0		0
Reserves	17,532	5,453	1,681	(3,772)
<b>Total Financing</b>	<b>24,643</b>	<b>6,639</b>	<b>3,744</b>	<b>(2,895)</b>

2.10 **Housing Revenue Account (HRA) 2022/23**

The HRA is the statutory account to which the revenue costs of providing, maintaining, and managing the Council dwellings are charged. The HRA is financed by rents charged to tenants and charges for related services and facilities. The table below summarises the HRA outturn position for the year against the revised budget. The Housing Revenue Account has ended the year with a £258k net movement to the HRA working balance.

	2022/23 Original Budget £'000	2022/23 Revised Budget £'000	2022/23 Outturn £'000	2022/23 Variance £'000
<b>Housing revenue account outturn</b>				
<b>Income</b>				
Dwelling rent	(19,926)	(19,372)	(19,357)	15
Non-dwelling rents	(160)	(177)	(181)	(4)
Service charges and facilities	(1,098)	(707)	(711)	(4)
Leaseholders' charges for services	(10)	(10)	(10)	0
Contributions towards expenditure	(33)	(89)	(231)	(142)
Reimbursement of costs	(276)	(66)	(48)	18
Interest income	(169)	(276)	(331)	(55)
<b>Total Income</b>	<b>(21,672)</b>	<b>(20,697)</b>	<b>(20,869)</b>	<b>(172)</b>
<b>Expenditure</b>				
Repairs & maintenance	6,141	6,338	6,194	(144)
Supervision and management	3,683	3,503	3,538	35
Special services	2,440	2,870	3,148	278
Rents, rates and other charges	146	156	156	0
Movement in bad debt provision	31	0	0	0
Contribution to CDC*	95	92	81	(11)
Capital charges	3,650	3,792	3,731	(61)
Interest charges	2,106	2,106	2,105	(1)
Revenue contribution to capital	5,863	1,186	901	(285)
Transfers to earmarked reserves	0	(256)	757	1,013
<b>Total Expenditure</b>	<b>24,155</b>	<b>19,787</b>	<b>20,474</b>	<b>687</b>
<b>Net movement on the HRA for the year</b>	<b>2,483</b>	<b>(910)</b>	<b>(258)</b>	<b>652</b>
<i>* Corporate and Democratic Core (CDC)</i>				
2.11	The key HRA variances against the revised budget for 2022/23 are detailed in <b>Appendix D</b> .			
2.12	The HRA revenue earmarked reserves totalled £18.56m as at the 31 March 2023. These are detailed in <b>Appendix F</b> .			
2.13	<p><b>Collection Fund 2022/23</b></p> <p>The Collection Fund records the income from Business Rates and Council Tax and its distribution, net of an allowance for cost of collection paid to the Billing Authority (East Suffolk Council).</p> <p><b>Council Tax</b></p> <p>Council tax income finances the expenditure of Suffolk County Council, the Police and Crime Commissioner for Suffolk, East Suffolk Council and its Town and Parish Councils. During 2022/23, the in-year movement on the Council Tax Collection Account was a surplus of £0.065m. The balance on the Council Tax Collection Account as of 31 March 2023 was a surplus of £2.837m (surplus of £2.772m in 2021/22). Central government created a Hardship Fund to provide Council Tax Relief to vulnerable people and households to help those affected most by the economic impact of the pandemic. This relief was granted under S13A discretionary reliefs and ESC was given a Hardship Grant to fund the relief granted. The impact of the pandemic on Local Council Tax Reduction Scheme reliefs and the council tax base has not been as great as originally estimated.</p>			

**Business Rates**

The Council as the Billing Authority collects all non-domestic rates from local businesses and distributes these to Central Government (50%), Suffolk County Council (10%) and East Suffolk Council (40%).

Each year, the Council must make several assumptions in January to produce the National Non-Domestic Rate (NNDR1) return, which provides an estimate for the forthcoming year. Key assumptions in arriving at the estimated amounts include the value of outstanding appeals and forecasts of growth or reduction in the business rates base of the area.

During 2022/23 the in-year movement on the Business Rate Collection Account was a surplus of £15.276m, reducing the brought forward deficit of £10.977m to a surplus of £4.299m (including the Central Government and SCC shares) as of 31 March 2023. These extremely large movements resulted from the introduction of significant business rate reliefs by the Government in response to the impacts of the pandemic on businesses, particularly in respect of the retail, hospitality, and leisure sectors in both 2021/22 and 22/23. The cost of these reliefs to ESC and SCC are funded by way of Section 31 Grant.

To reduce the amounts paid as levies to Government, all the Suffolk councils have entered a pooling arrangement allowing them to retain a larger proportion of growth by reducing their individual rate of levy. For 2022/23, the benefit to the Council of participating in the Suffolk Business Rates Pool was £2.384m.

**2.14 Quarter 1 Outlook and Considerations going into 2023/24**

During Quarter 1 the Council begins to identify areas of focus for the budget in the current year and beyond, arising from the year-end outturn and items emerging in the first two months of the current financial year. For Quarter 2, detail on the financial implications will be reported to Cabinet later in the year.

**Staffing**

The 2023/24 pay offer has not yet been agreed, and this is unlikely to be confirmed until the latter part of the year at the earliest. The pay award assumed in the budget is 4%. A pay award offer similar to the previous year, would be a cost pressure of £0.600m to the General Fund. A 1% pay award represents an increase of approximately £0.350m to the General Fund.

**Fees & Charges**

The outturn position has highlighted areas of focus for the budget, this includes Parking Services which has seen income fall below budget and this is being explored by the service area. There are areas such as Planning which have seen income above budget but given the economic climate it may be prudent to keep the income budget as the current level. This will be monitored with the service area.

**Interest Income**

Whilst the outturn position showed a significant positive variance to budget, it is prudent at this point in the year not to anticipate a similar position for this year. The budget was increased as part of the budget setting last year and a review at mid-year will provide a more informed outlook.

	<p><b>Inflationary Pressures</b></p> <p>Utility costs were a significant area of cost pressure last year and the budget was increased across all years of the MTFs. At outturn the actual position for the General Fund was in line with the revised budget, so it is not anticipated at this time for there to be additional pressure in this area, but it will continue to be monitored.</p> <p>The Council’s insurance premium renewal for the forthcoming year is advised after the budget is set. This budget was increased during the budget setting last year by £0.140m, due to inflationary pressure being observed in the 2022/23 premium. This is now expected to increase further by a £0.100m.</p> <p><b>East Suffolk Services Limited (ESSL)</b></p> <p>The budget estimates for 2023/24 and beyond are currently based on the existing arrangements with Norse, together with the additional external cost pressures on the Operations service – primarily rising fuel costs and national and local pay settlements. These are challenges that the Council and Norse would have to address, regardless of the set-up of East Suffolk Services Ltd from July 2023. This is an area of the budget which will need to be updated as part of the budget setting process. At that point, ESSL will be entering into its second quarter of operation which will inform the updates to the Council’s budget.</p>
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3 How to address current situation	
3.1	<p><b>Draft Outturn Position 2022/23</b></p> <p>For 2022/23 the Council’s General Fund realised a surplus year end position of £0.768m. This report seeks approval for the surplus to be transferred to the various reserves outlined in the recommendations. The report also seeks approval of the year end movements to and from the Council’s other Earmarked Reserves as shown in <b>Appendix F</b>.</p>
3.2	<p>The carry forward of revenue budgets will enable services to have sufficient budget available in the new financial year for commitments made in 2023/24. Revenue budgets carry forward requests approved by the Chief Finance Officer are transferred to a specific reserve to enable closer monitoring of their use throughout the forthcoming year. Requests no longer required are released back to the General Fund.</p>
3.3	<p>The outturn position will feed into the review and update of the Medium-Term Financial Strategy, Capital Programme, and the Housing Revenue Account in the next budget iteration. This will inform decisions for the 2024/25 budgets which will be presented to Members for their approval and consideration during 2023/24, with the finalised budget for 2024/25 presented to Full Council in February 2024.</p>

4 Reason/s for recommendation	
4.1	<p>To give Cabinet an update on the unaudited 2022/23 outturn for the Council’s revenue and capital accounts, before the audited accounts are submitted for approval to the Audit and Governance Committee.</p>
4.2	<p>To provide Members with financial information on the Council’s reserves and balances to assist in formulating budget policies for 2024/25 and beyond.</p>
4.3	<p>To provide Members with an initial financial outlook for 2023/24.</p>

## Appendices

Appendices:	
<b>Appendix A</b>	General Fund Outturn Summary compared to the revised budget for 2022/23
<b>Appendix B</b>	Summary of key General Fund budget variances in 2022/23
<b>Appendix C</b>	Summary of key General Fund Capital Programme budget variances in 2022/23
<b>Appendix D</b>	Summary of key Housing Revenue Account budget variances in 2022/23
<b>Appendix E</b>	Budget carry forward requests less than £30,000 2022/23
<b>Appendix F</b>	Movement on reserves and balances in 2022/23

Background reference papers:		
Date	Type	Available From
June 2022	Final Accounts Working Papers for 2022/23	Financial Services Team

## General Fund Outturn Summary compared to the revised budget for 2022/23

	Original Budget (Feb-22) 2022/23 £	Revised Budget (Feb-23) 2022/23 £	Actual Outturn 2022/23 £	Variance against revised Budget 2022/23 £
<b>Service Areas</b>				
Senior and Corporate Management	2,547,200	2,403,600	2,500,785	<b>97,185</b>
Economic Development and Regeneration	3,368,000	4,526,000	4,283,887	<b>(242,113)</b>
Financial Services and Other Financial Transactions	(31,700)	306,600	909,909	<b>603,309</b>
Revenue and Benefits	2,372,000	2,859,600	1,639,877	<b>(1,219,723)</b>
Digital and Programme Management	2,977,100	3,297,700	3,114,409	<b>(183,291)</b>
Internal Audit Services	543,400	497,300	532,829	<b>35,529</b>
Human Resources	864,100	903,600	928,971	<b>25,371</b>
Legal and Democratic Services	2,312,000	2,565,200	2,462,853	<b>(102,347)</b>
Planning and Coastal Management	4,411,800	4,313,000	5,262,525	<b>949,525</b>
Customer Experience Strategic Management	2,361,900	2,430,500	2,301,097	<b>(129,403)</b>
Operations	11,588,400	15,500,300	14,810,662	<b>(689,638)</b>
Communities	2,630,700	3,703,400	2,519,442	<b>(1,183,958)</b>
Environmental Services and Port Health	1,499,300	2,326,500	2,489,131	<b>162,631</b>
Housing Services	4,976,600	5,762,700	4,082,128	<b>(1,680,572)</b>
<b>Net Cost of Service</b>	<b>42,420,800</b>	<b>51,396,000</b>	<b>47,838,505</b>	<b>(3,557,495)</b>
<b>Non-Cost of Service Expenditure Adjustments</b>				
Direct Revenue Financing (DRF)	3,020,000	5,420,000	5,420,784	<b>784</b>
Revenue provision for the repayment of debt (MRP)	1,265,000	1,206,700	1,206,689	<b>(11)</b>
Recharges to the Housing Revenue Account (HRA)	(1,424,300)	(1,409,400)	(1,409,400)	<b>0</b>
Bad Debt Provision	5,000	(10,800)	(729,129)	<b>(718,329)</b>
Other Accounting Adjustments	25,000	25,000	(39,943)	<b>(64,943)</b>
REFCUS Expenditure	(2,721,400)	(2,721,400)	(4,466,490)	<b>(1,745,090)</b>

## General Fund Outturn Summary compared to the revised budget for 2022/23

	Original Budget (Feb-22)	Revised Budget (Feb-23)	Actual Outturn	Variance against revised Budget
<b>Other Operating Expenditure</b>				
Town & Parish Precepts	6,748,500	6,748,500	6,748,529	29
Levies	247,900	247,900	287,369	39,469
<b>Financing and Investment Income and Expenditure</b>				
Interest Payable	450,000	450,000	435,404	(14,596)
Interest Receivable	(650,000)	(1,536,000)	(2,595,420)	(1,059,420)
HRA Share of Interest Payable & Receivable	12,700	119,900	174,597	54,697
Other Financing Charges	409,100	409,100	389,191	(19,909)
<b>Non-Specific Grant Income</b>				
New Homes Bonus	(1,648,700)	(1,648,700)	(1,648,706)	(6)
Other non-ringfenced grants	0	(61,300)	(101,997)	(40,697)
Capital Grants	(6,400)	(69,400)	(34,200)	35,200
<b>Net Expenditure before Reserve Movements</b>	<b>48,153,200</b>	<b>58,566,100</b>	51,475,783	<b>(7,090,317)</b>
<b>Net Movements on Reserves</b>				
Use of reserves - projects/corporate, etc.	(12,680,700)	(18,358,700)	(14,111,073)	4,247,627
Transfer of outturn to/from reserves	549,100	(1,097,800)	767,977	1,865,777
<b>Net Expenditure After Reserve Movements</b>	<b>36,021,600</b>	<b>39,109,600</b>	38,132,687	<b>(976,913)</b>



General Fund Outturn Summary compared to the revised budget for 2022/23

	Original Budget (Feb-22)	Revised Budget (Feb-23)	Actual Outturn	Variance against revised Budget
<b>Financed By:</b>				
Council Tax Income (District Council)	(15,911,000)	(15,911,000)	(15,933,247)	<b>(22,247)</b>
Council Tax Income (Town & Parish Precepts)	(6,748,500)	(6,748,500)	(6,748,529)	<b>(29)</b>
Business Rates Income (incl. Section 31 Grant)	(11,974,300)	(15,062,300)	(14,055,775)	<b>1,006,525</b>
Lower Tier Services Grant	(310,600)	(310,600)	(316,798)	<b>(6,198)</b>
Services Grant	(477,400)	(477,400)	(477,390)	<b>10</b>
Revenue Support Grant	(339,500)	(339,500)	(340,600)	<b>(1,100)</b>
Rural Services Delivery Grant	(260,300)	(260,300)	(260,348)	<b>(48)</b>
<b>Total Financing</b>	<b>(36,021,600)</b>	<b>(39,109,600)</b>	<b>(38,132,687)</b>	<b>976,913</b>
<b>Budget/Outturn Shortfall/(Surplus)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>General Fund Summary of Key Variances</b>		
	<b>£'000</b>	<b>£'000</b>
<b><u>Staffing</u></b>		
Direct Staffing (excluding Port Health Account)	(406)	
Less Vacancy Allowance	<u>566</u>	
		160
<b><u>Indirect Staffing Costs</u></b>		
Recruitment Advertising		102
<b><u>Premises Expenses</u></b>		
Planned & Responsive Repairs & Maintenance		(315)
<b><u>Fees &amp; Charges Income</u></b>		
Cemeteries	(120)	
Coastal Management	(76)	
Indoor Leisure – Debt Write Off*	325	
Miscellaneous Land and Property	(184)	
Other	(115)	
Parking Services	346	
Planning & Building Control	(203)	
Private Sector Housing	(323)	
Revenues & Benefits HB overpayments*	<u>503</u>	
		153
Interest Income		(1,004)
Decrease to the Sundry Bad Debt Provision*		(295)
Business Rates Income		1,006
Housing Benefit Subsidy ( mainly the bad debt provision)*		(534)
Other net variances		(41)
<b>Total variance on 2022/23 outturn</b>		<b><u>(768)</u></b>
<b>Transfer of outturn surplus:</b>		
Transformation Reserve – Environment Theme	(200)	
Transformation Reserve – Digital Theme	(100)	
Revenues & Benefits Admin Reserve	(200)	
In- Year Savings Reserve	<u>(268)</u>	
<b>Total Transfer of 2022/23 Outturn</b>		<b><u>(768)</u></b>

\* *Contra entries*

<b>General Fund Capital Programme 2022/23</b>	
<b>Summary of Key Variances</b>	
	<b>£'000</b>
<b>Economic Development &amp; Regeneration</b>	
Jubilee Parade Levelling up project	(600)
Towns Fund	(493)
<b>Environmental Services &amp; Port Health</b>	
Small excess on Port Health ICT	11
<b>Financial Services</b>	
Romany Lane redevelopment	(388)
<b>ICT - Digital &amp; Programme Management</b>	
ESC/ESSL ICT requirements	(447)
<b>Operations</b>	
Felixstowe Beach Village	(990)
Felixstowe Leisure	(950)
Southwold Enterprise Hub	(600)
Estates Management	(500)
Deben Fields	(500)
Seafront Gardens Beach Hut Sites & Relocations	(495)
Vehicles	(490)
Ravine (Jubilee Bridge)	(430)
East Point Pavilion	(196)
Northern Car Park enhancements	(200)
Southwold Caravan Site redevelopment	(150)
Lowestoft Beach Huts	(149)
Other variance >£100k	(1,041)
<b>Planning &amp; Coastal Management</b>	
Lowestoft Tidal Barrier	(3,300)
Thorpeness	(2,700)
Southwold North Toe Wall	(462)
Other variance >£100k	(252)
<b>General Fund Housing</b>	
Disabled Facilities Grant (DFG)	742
Central Government Grant o Freeport East via ESC as Accountable Body	(250)
<b>Total</b>	<b>(14,830)</b>

<b>Housing Revenue Account 2022/23 Summary of Key Variances</b>		<b>£'000</b>
<b>Description</b>		
Rephasing of Capital Expenditure on Housing Development (Revenue Contribution to Capital)		(285)
Increase in budget for repair and maintenance services not required (Repairs and Maintenance)		(144)
Additional external Contributions towards expenditure (Contribution towards Expenditure)		(112)
Reduced depreciation charge (capital charges)		(61)
Increased return on interest on balances (Interest Income)		(55)
Savings associated with rephasing of housing development capital programme (Special Services)		(31)
Additional sales income (Contribution towards Expenditure)		(20)
Staff Savings due to Vacancies (Special Services)		(14)
Saving on contribution to Corporate and Democratic Core (Contribution to CDC)		(11)
Additional Revenue income due to increase Right To Buy Sales (Contribution towards expenditure)		(10)
Staff Savings due to Vacancies (Supervision and Management)		(8)
Additional Income on other rents (Non-Dwelling Rents)		(4)
Additional Income on Service Charges (Service Charges and Facilities)		(4)
Saving on various running costs (Special Services)		(3)
Saving on interest payable and similar charges (Interest Charges)		(1)
Transfer to Development Reserve after prior year adjustment (Transfer to earmarked reserves)		1,013
Increased in utility bills above increased estimates (Special Services)		283
Increased use of Consultancy staff offset against staff saving and repairs savings (Special Services)		43
Expenditure associated with additional external contributions (Supervision and Management)		43
Reduced Income relating to rechargeable Repairs (Reimbursement of costs)		18
Reduced income on Dwelling Rents (Dwelling Rents)		15
<b>Total variance to in-year forecast</b>		<b>652</b>

## BUDGET CARRY FORWARD REQUESTS LESS THAN £30,000 2022/23

Account Name	Department name	Amount Requested £	Comments/Reason for Carry Forward
Third party expenditure	Abandoned vehicles	6,400	Following the transfer of ESC waste enforcement function back into the council from third party providers, the team identified catch up work required. The funding will be utilised over the coming months to bring relevant signage up to date.
Technical training	Customer services operations	4,200	The carry forward request is to address additional training requirements for customer service team, which holds a headcount of over 50 members of staff.
Employee cost	ICT services	13,800	Carry forward to support the additional staffing requirement to assist with the digital integration of East Suffolk Services Limited to the Council and improve customer interaction.
Consultants	Planning policy and delivery	5,400	Viability consultancy and examination works commissioned for East Suffolk CIL Charging Schedule Examination which was not concluded by year end due to unforeseen delays.
Consultants	Planning policy and delivery	2,700	Affordable housing commuted sums update - work underway but not yet completed by 31st March 2023.
Grants & contributions	Planning Policy & delivery - specialist services	4,600	The work arises from the review of the Southwold Harbour and Walberswick Quay Conservation Area, which was subject to consultation between January and March 2023. The carry forward will fund additional work identified following completion of the original project, although was not anticipated when the budgeting for 23/24 was underway.
Grants & contributions	Planning Policy & delivery - specialist services	1,200	Aldeburgh Conservation Area proposals additional work. The carry forward will fund the additional work which arose from consultation on the draft Aldeburgh Conservation Area Appraisal which was undertaken in January and February 2023. The additional work in 2023/24 was not foreseen.

## BUDGET CARRY FORWARD REQUESTS LESS THAN £30,000 2022/23

Account Name	Department name	Amount Requested £	Comments/Reason for Carry Forward
Consultants	Economic regeneration projects	1,500	A Town Centre Masterplan of Leiston was commissioned in 2022 and due to be completed prior to the 31st of March 2023, however, it was identified that the final document needed several additional concept designs to help visualise proposals. The budget carry over will fund the final 3% left to completion of the masterplan.
Other externally provided services	Business support & sector tourism	13,000	Programme of support being provided by consultants to support applications for Shared Prosperity Fund. Running from February'23 through to July'23. This funding contributes towards the consultancy and creation of the supporting toolkit for attendees.
Hardware purchases	Local air quality management	6,100	Air quality monitoring in Woodbridge. Budget to fund equipment ordered during 2022/23 financial year but for which delivery is delayed until May 2023.
Consultants	Contaminated land act	3,000	Ongoing contaminated Land case - Sizewell. Carry forward budget required for upcoming costs in 23/24 for which there is insufficient 23/24 budget.
Marketing and promotions	Economic regeneration projects	2,000	Due to protracted negotiations with the landowner, the final agreement to the number of panels relating to hoardings work was not confirmed until late in the financial year. This has meant the final payment of £2000 will be required in Q1 of 23/24.
<b>Total carry forward &lt;£30k approved by CFO</b>		<b>63,900</b>	

## GENERAL FUND AND HOUSING REVENUE ACCOUNT(HRA) EARMARKED RESERVE SUMMARY 2022/23

Reserve	Balance 31 March 2022 £'000	Transfers out 2022/23 £'000	Transfers in 2022/23 £'000	Balance 31 March 2023 £'000	Purpose of earmarked reserve
<b>General Fund Earmarked Reserves</b>					
Actuarial Contributions	200	0	0	200	To provide a source of finance to meet budget pressures arising from lump sum pension costs associated with redundancies and retirements.
Air Quality	80	(74)	0	6	To provide a source of finance for Air Quality Management Areas.
Homes and Communities Agency (HCA) - Area Action Plan (AAP) land contamination grant	162	(36)	0	126	To fund site investigative works covering the Area Action Plan in Lowestoft. Externally funded with conditions attached.
Additional Disabled Facilities Grant (DFG) funding	10	(7)	0	3	To support additional Disabled Facilities Grant works above the standard Disabled Facilities Grants grant. Externally funded, with conditions attached.
Afghan Interpreter Grant Funding	0	0	252	252	External funding to support the integration of Afghan refugees in the district.
Better Broadband	7	(7)	0	0	External funding received to support the delivery of Broadband to local residents and businesses.
Budget Carry Forward Requests	266	(210)	107	163	Approved requests for between year revenue budget carry forwards.
Building Control	516	0	0	516	To provide a source of finance for a statutory fund, to ensure Building Control expenditure breaks even over a rolling annual period.
Business Incentive	2	(2)	0	(0)	External Funding - To support economic development throughout the district.
Business Rate Equalisation	15,240	(28)	0	15,213	Business rates income set aside to provide a source of finance to equalise fluctuations in business rate income, e.g., timing issues arising from the accounting treatment.
Business Rates Pilot	1,385	(472)	0	912	Income received from the business rate retention pilot scheme (2018/19) which has been set aside to fund agreed projects across economic development, housing, leisure, and communities.
Business Rates (Suffolk Public Sector Leaders)	1,317	(306)	0	1,010	SPSL share of business rates pooling benefit forgone in 2021/22, earmarked for economic & community projects.
Brexit	144	(144)	0	0	External funding received for expenditure incurred as a result of Brexit.
Climate Change	63	(49)	0	14	To provide an additional source of finance for initiatives to reduce climate change and to promote energy efficiency (includes external funding).

## GENERAL FUND AND HOUSING REVENUE ACCOUNT(HRA) EARMARKED RESERVE SUMMARY 2022/23

Reserve	Balance 31 March 2022 £'000	Transfers out 2022/23 £'000	Transfers in 2022/23 £'000	Balance 31 March 2023 £'000	Purpose of earmarked reserve
Coastal Management	379	0	0	379	To provide a source of finance to fund revenue expenditure on coastal defences in the district.
Communities	2,484	(871)	645	2,258	External Funding - To provide a source of finance to support anti-social behaviour, crime reduction initiatives and health initiatives.
Community Housing Fund	2,067	(754)	0	1,313	To enable local community groups to deliver affordable housing units. External funding received with conditions attached.
Active Suffolk	776	(109)	114	781	External Funding received to support the delivery of the County Sports Partnership.
Customer Services	326	0	0	326	To provide a source of finance to support projects requiring post implementation review which will incur consultancy fees and service review costs.
COVID-19 Response	5,882	(4,767)	51	1,165	Government funding received in response to the COVID19 pandemic to fund ongoing response & recovery work.
Contractual Liability	413	(323)	0	90	Supporting any third-party contractual issues.
District Elections	200	0	38	239	To provide a source of finance to support the costs of district elections every four years
Domestic Violence Support Funding	218	(91)	0	128	External Funding for schemes supporting those affected by domestic violence.
Deployment of Flood Barrier	88	0	0	88	To provide a source of finance for funding towards the cost of deployment of the flood barrier in Lowestoft.
Economic Development	1,024	(1,024)	30	31	Funding provided to support the delivery of economic development projects.
Economic Regeneration	81	(5)	11	87	To provide a source of finance for economic regeneration projects (includes external funding).
Empty Properties and Houses in disrepair	236	0	4	240	To provide a source of finance for the Council to assist in bringing empty properties situated within the district back into use.
Enterprise Zone	560	(387)	452	625	Enterprise Zone income is generated through business rates from development which occurs within each zone. The Council is the administrator of the funds.
Environmental Protection	68	0	0	68	Sizewell funding for Environmental Protection staffing.
Winter Warmth - Handyman	0	0	33	33	External funding to provide minor works to residents' properties to help reduce energy bills and keep warm.



## GENERAL FUND AND HOUSING REVENUE ACCOUNT(HRA) EARMARKED RESERVE SUMMARY 2022/23

Reserve	Balance 31 March 2022 £'000	Transfers out 2022/23 £'000	Transfers in 2022/23 £'000	Balance 31 March 2023 £'000	Purpose of earmarked reserve
Winter Warmth Packs	0	(0)	22	22	External Funding to provide essential items to residents to stay warm in their homes.
Flood Prevention	6	(6)	0	0	Following the Tidal Surge of 2013, this reserve has been established to provide a source of finance for flood prevention assistance.
Fuel Payments	6	(0)	0	6	Grants towards fuel payments. Externally funded.
Felixstowe Forwards	18	(18)	0	0	External funding received to fund projects in Felixstowe.
Food Safety	195	(105)	0	90	Funding received in relation to staff time spent on Covid. To provide additional support for addressing the Food Safety backlog due to Covid.
Growth Programme	64	0	0	64	External funding received to fund work on Suffolk Design Concepts.
Greener Homes Funding	195	(195)	0	0	External funding received to fund work on Suffolk Design Concepts.
Gypsy and Traveller Macerator	26	(26)	0	0	Kessingland Traveller site Macerator replacement reserve.
Heritage Action Zone North	10	0	0	10	For regeneration of buildings in north Lowestoft.
Housing Benefit Subsidy	300	(300)	0	0	To provide a source of finance to meet budget pressures due to fluctuations with HB subsidy and implementation/changes due to Government legislation.
HCA Development Grant	75	0	0	75	Funding received for the Adastral Park development.
Homelessness Prevention	91	(91)	0	0	Received through the central revenue grant to tackle homelessness.
Homelessness New Burdens	73	0	0	73	External funding with conditions attached.
Homelessness - Rough Sleeper	172	(15)	0	157	External funding with strict conditions attached, to tackle rough sleeping in the district.
Homelessness - Flexible Homelessness Grant	365	0	0	365	External funding with conditions attached to tackle homelessness.
Homelessness Mortgage Rescue	13	0	14	27	Admin fees to be reinvested in homelessness.
Hoarding Support Private Sector Housing	26	(1)	0	25	External funding with conditions attached to support vulnerable people with hoarding.
Homelessness Prevention	273	(273)	0	0	External funding with conditions attached to help with the prevention of Homelessness.
Human Resources	10	(10)	0	0	E-Learning - process and provision review from 2022/23

## GENERAL FUND AND HOUSING REVENUE ACCOUNT(HRA) EARMARKED RESERVE SUMMARY 2022/23

Reserve	Balance 31 March 2022 £'000	Transfers out 2022/23 £'000	Transfers in 2022/23 £'000	Balance 31 March 2023 £'000	Purpose of earmarked reserve
Housing Advisory Programme	25	(25)	0	0	External funding for consultancy work in 22-23.
Homelessness WEIT (What Ever It Takes)	0	0	25	25	Ring fenced grant funding for homelessness, to be used on what is necessary in the prevention of homelessness.
Individual Electoral Registration (IER)	457	(19)	0	438	External Funding - Grant Funding from Government to cover the additional cost for the administration of Individual Electoral Registration.
Indoor Leisure	50	0	18	68	To provide a source of finance to support Leisure Activities
Insurance	171	0	0	171	To provide for potential liabilities relating to Municipal Mutual Insurance Limited (MMI).
In-Year Savings	3,572	(129)	268	3,711	Outturn surpluses set aside to support future year budget pressures.
Key Capital Programme	182	(115)	0	67	To provide a source of finance towards revenue costs associated with the delivery of key capital projects. (£100k allocated to the master planning of the AAP).
Land Charges	150	0	0	150	To provide a source of finance to implement service enhancements due to change in Government requirements.
Local Development Framework	5	(5)	0	0	To provide a source of finance to meet the costs arising from the periodic preparation and adoption of the Local Development Framework.
Lowestoft Rising	87	(31)	10	66	External Funding - Funding received to deliver earmarked work under the Lowestoft Rising project.
Landguard	86	0	93	179	Balance of 2 x Landguard car parks and cafe income over and above costs (net of s106 funds)
Licensing	0	0	8	8	Licensing Grant - New burdens grant held to support the implementation of a new IT system
New Homes Bonus (NHB)	5,580	(1,790)	1,649	5,439	NHB funding received and set aside to fund the delivery of community projects and initiatives.
Modular ramps – Disabled Facilities Grant	2	(3)	0	0	DFG funding for the removal of temporary ramps when no longer required.
Next Steps Accommodation Programme (NSAP)	22	0	0	22	External funding to help Rough Sleepers get off the streets and into accommodation.
Minimum Energy Efficiency Standard	113	(113)	0	0	MEES- Minimum Energy Efficiency Standard. - External funding for a member of staff.

## GENERAL FUND AND HOUSING REVENUE ACCOUNT(HRA) EARMARKED RESERVE SUMMARY 2022/23

Reserve	Balance 31 March 2022 £'000	Transfers out 2022/23 £'000	Transfers in 2022/23 £'000	Balance 31 March 2023 £'000	Purpose of earmarked reserve
Pathfinder	0	0	466	466	External funding ringfenced for research, data collection and development of best practices in the roll out of the PRS white paper
Protect and vaccinate	69	(69)	0	0	DLUHC funding received via the Protect and Vaccinate programme. The funding is ringfenced for the purposes of protecting and vaccinating rough sleepers in response to the COVID-19 Omicron variant.
Planning Policy	0	0	171	171	To provide a source of finance to support development work and audit of the Local Plan.
Private Sector Housing	99	(16)	0	82	Repaid grants to be reinvested back into the Private Sector Housing Team.
Planning	400	0	0	400	For future costs on Local Plan
Planning Legal	400	0	0	400	Contingency for appeal costs
Renovation Grants	635	(156)	0	479	To provide a source of finance for renovations grants.
Rent Guarantee Scheme	15	0	200	215	To provide a source of finance for landlord claims.
Revenues & Benefits Administration	243	(243)	200	200	To provide a source of finance for budget pressures on the administration of Revenues & Benefits.
Recreation Areas Mitigation Strategy Staffing	103	(55)	0	48	Offsetting costs of RAMS Officer (temp to 24/25)
Southwold Harbour	0	0	144	144	To provide financing for future repairs and investment in Harbour Lands - Statute
Stepping Homes - West	60	(60)	0	0	Externally funded received to support hospital patients to return home (Stepping Home project).
SEAL	12	(6)	0	6	Contributions from other Local Authorities to support the work of the Warmer Homes Healthy People Team.
Stepping Home	31	(7)	0	24	Externally funded received to support hospital patients to return home (Stepping Home project).
S106 Interest	30	(30)	0	0	Contingency related to Affordable Housing S106 should conditions not be met.

## GENERAL FUND AND HOUSING REVENUE ACCOUNT(HRA) EARMARKED RESERVE SUMMARY 2022/23

Reserve	Balance 31 March 2022 £'000	Transfers out 2022/23 £'000	Transfers in 2022/23 £'000	Balance 31 March 2023 £'000	Purpose of earmarked reserve
Severe Weather Emergency Protocol (SWEP) Cold Weather Funding	0	0	16	16	This is external funding ringfenced for when SWEP (Severe Weather Emergency Protocol) is triggered. SWEP is declared when the temperature falls below zero for 3 or more consecutive nights. Variations to this criterion include the 'feels like' temperature, as well as things like wind, rain and snow, which could pose health risks in temperatures exceeding zero. It is to provide a warm bed for those that need one.
Smart Towns	0	0	23	23	Getting Building Fund grant, awarded to support of the Smart Towns tech Wi-Fi upgrades in both Lowestoft and Felixstowe.
Transformation - Digital	296	(98)	100	298	To provide funding for efficiency (invest to save) initiatives and to support the delivery of the Digital theme of the Strategic Plan.
Transformation - Environmental	500	(44)	200	656	To provide funding for efficiency (invest to save) initiatives and to support the delivery of the Environmental theme of the Strategic Plan.
Transformation - Financial Sustainability	2,769	(332)	0	2,437	To provide funding for efficiency (invest to save) initiatives and to support the delivery of the financial sustainability theme of the Strategic Plan.
Warmer Homes Healthy People	151	(44)	0	107	Externally funded, to help with heating homes.
Warmer Homes Health People COVID pressures	24	(23)	0	1	Externally funded, to help with heating homes.
Youth Leisure	10	0	0	10	Externally funded, project funding received to support active leisure for young people.
<b>Earmarked Reserves - Revenue sub-total</b>	<b>52,463</b>	<b>(14,558)</b>	<b>5,803</b>	<b>43,708</b>	
<b>Earmarked Reserves - Port Health:</b>					
Port Health Planned Future Revenue Spending	2,071	(153)	1,116	3,034	To provide a source of finance to support the future investment and development of the Authority's infrastructure at the Port of Felixstowe and to mitigate any significant fluctuations in income due to changes in trade through Felixstowe.
Port Health Planned Future Capital Spending	613	(613)	0	0	To fund capital projects within Port Health.

## GENERAL FUND AND HOUSING REVENUE ACCOUNT(HRA) EARMARKED RESERVE SUMMARY 2022/23

Reserve	Balance 31 March 2022 £'000	Transfers out 2022/23 £'000	Transfers in 2022/23 £'000	Balance 31 March 2023 £'000	Purpose of earmarked reserve
Port Health ICT	400	0	235	635	Balance of PHILIS/NEOMA income to be reinvested into the Port Health ICT service
Port Health External Funding	1,230	(1,230)	0	0	External funding received into Port Health
<b>Total Port Health</b>	<b>4,315</b>	<b>(1,997)</b>	<b>1,351</b>	<b>3,669</b>	
<b>Earmarked Reserves - Capital:</b>					
Southwold Beach Front	175	(175)	0	(0)	Income from the sale of Southwold Beach huts ringfenced for improvements to Southwold.
Capital	3,246	(3,583)	379	42	To provide a source of finance for capital investment plans.
Coastal Protection - Capital Works	176	(176)	0	(0)	To provide a source of finance to fund capital expenditure on coastal defences in the district.
Short Life Assets	1,508	(1,006)	618	1,120	To provide a source of finance to fund the purchase of short life assets. To maintain the level of the reserve any capital funding is met from revenue.
<b>Earmarked Reserves - Capital sub-total</b>	<b>5,104</b>	<b>(4,940)</b>	<b>997</b>	<b>1,161</b>	
<b>Total Earmarked Reserves</b>	<b>61,882</b>	<b>(21,495)</b>	<b>8,151</b>	<b>48,538</b>	

## GENERAL FUND AND HOUSING REVENUE ACCOUNT(HRA) EARMARKED RESERVE SUMMARY 2022/23

Reserve	Balance 31 March 2022 £'000	Transfers out 2022/23 £'000	Transfers in 2022/23 £'000	Balance 31 March 2023 £'000	Purpose of earmarked reserve
<b><i>HRA Earmarked Reserves</i></b>					
Debt Repayment Reserve	13,000	0	0	13,000	Set aside funds to meet future liabilities for repayment of the self-financing debt.
Hardship Reserve	500	(1)	0	499	Providing support to tenants who find themselves in financial hardship.
MMI Reserve	60	0	0	60	To provide for potential liabilities relating to Municipal Mutual Insurance Limited (MMI).
Impairment/Revaluation Reserve	256	(256)	0	0	Provide for potential impairment and revaluation losses to HRA assets due to changes in Accounts and Audit Regulations.
Housing Development Reserve	3,987	0	1,013	5,000	A source of funding for the Housing Development Programme.
Brampton Sinking Fund	1	0	1	2	A source of funding for repairs to shared facilities on development.
<b>Total HRA Earmarked Reserves - Revenue</b>	<b>17,804</b>	<b>(257)</b>	<b>1,014</b>	<b>18,561</b>	
<b>Major Repairs Reserve - Capital</b>	<b>13,754</b>	<b>(1,681)</b>	<b>3,707</b>	<b>15,780</b>	



**CABINET**  
**Tuesday, 11 July 2023**

<b>Subject</b>	Appointments to the Environment Task Group (ETG)
<b>Report by</b>	Councillor Rachel Smith-Lyte Cabinet Member with responsibility for the Environment
<b>Supporting Officers</b>	Nick Khan Strategic Director <a href="mailto:Nick.khan@eastsoffolk.gov.uk">Nick.khan@eastsoffolk.gov.uk</a> Fiona Quinn Head of Environmental Services & Port Health <a href="mailto:Fiona.quinn@eastsoffolk.gov.uk">Fiona.quinn@eastsoffolk.gov.uk</a>

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is <b>NOT</b> in the public interest to disclose the exempt information.	Not applicable
<b>Wards Affected:</b>	All Wards

## Purpose and high-level overview

**Purpose of Report:**

To approve the appointment of 9 Members to the Environment Task Group (ETG)

**Recommendations:**

1. That the appointment of Councillor Rachel Smith-Lyte, Councillor Katie Graham, Councillor Janet Candy, Councillor Sarah Plummer, Councillor Stephen Molyneux, Councillor Louise Gooch, Councillor Rosie Smithson and Councillor Edward Back to the Environment Task Group be approved.
2. That the amended terms of reference for the Environment Task Group are approved.

## Corporate Impact Assessment

**Governance:**

To make the necessary appointments to the ETG will enable the Group to carry out its work, as planned.

**ESC policies and strategies that directly apply to the proposal:**

None.

**Environmental:**

None.

**Equalities and Diversity:**

Equality Impact Assessments (EIA) have been carried out, as appropriate. No adverse impacts have been identified.

**Financial:**

The costs of the ETG's administration are absorbed by the Democratic Services/Members budget, in the same way as any other Committee of the Council is accounted for.

**Human Resources:**

There are no HR implications for the organisation.

**ICT:**

No impact.

**Legal:**

The ETG has been set up in accordance with the Terms of Reference and appropriate legal guidance and legislation.

**Risk:**

There are no particular risks identified with these proposals



<b>External Consultees:</b>	None on this occasion
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## Strategic Plan Priorities

Select the priorities of the <a href="#">Strategic Plan</a> which are supported by this proposal: <i>(Select only one primary and as many secondary as appropriate)</i>		Primary priority	Secondary priorities
<b>T01</b>	<b>Growing our Economy</b>		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P02	Attract and stimulate inward investment	<input type="checkbox"/>	<input type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P05	Support and deliver infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T02</b>	<b>Enabling our Communities</b>		
P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P07	Taking positive action on what matters most	<input type="checkbox"/>	<input type="checkbox"/>
P08	Maximising health, well-being and safety in our District	<input type="checkbox"/>	<input type="checkbox"/>
P09	Community Pride	<input type="checkbox"/>	<input type="checkbox"/>
<b>T03</b>	<b>Maintaining Financial Sustainability</b>		
P10	Organisational design and streamlining services	<input type="checkbox"/>	<input type="checkbox"/>
P11	Making best use of and investing in our assets	<input type="checkbox"/>	<input type="checkbox"/>
P12	Being commercially astute	<input type="checkbox"/>	<input type="checkbox"/>
P13	Optimising our financial investments and grant opportunities	<input type="checkbox"/>	<input type="checkbox"/>
P14	Review service delivery with partners	<input type="checkbox"/>	<input type="checkbox"/>
<b>T04</b>	<b>Delivering Digital Transformation</b>		
P15	Digital by default	<input type="checkbox"/>	<input type="checkbox"/>
P16	Lean and efficient streamlined services	<input type="checkbox"/>	<input type="checkbox"/>
P17	Effective use of data	<input type="checkbox"/>	<input type="checkbox"/>
P18	Skills and training	<input type="checkbox"/>	<input type="checkbox"/>
P19	District-wide digital infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T05</b>	<b>Caring for our Environment</b>		
P20	Lead by example	<input checked="" type="checkbox"/>	<input type="checkbox"/>
P21	Minimise waste, reuse materials, increase recycling	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P22	Renewable energy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P23	Protection, education and influence	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>XXX</b>	<b>Governance</b>		
XXX	How ESC governs itself as an authority	<input type="checkbox"/>	<input type="checkbox"/>
<b>How does this proposal support the priorities selected?</b>			
The appointments to the ETG, a task group of Cabinet, will enable them to identify and make recommendations on developing new environmental policies which will help to protect and enhance the environment.			

## Background and Justification for Recommendation

1 Background facts	
1.1	<p>On 24 July 2019 (Full Council agenda item 9(a)), after considering a notice of motion about climate change, the Council resolved unanimously to:</p> <p>Declare a climate emergency</p> <p>Set up a Cross Party Task Group, commencing by October 2019, to investigate ways to cut East Suffolk Council’s carbon and harmful emissions on a spend to save basis, with ambition to make East Suffolk Council (including all buildings and services) carbon neutral by 2030. The Cross Party Task Group will report on their progress on a quarterly basis.</p> <p>To work with Suffolk County Council and other partners across the county and region, including the LEP and the Public Sector Leaders, towards the aspiration of making the county of Suffolk carbon neutral by 2030.</p> <p>To work with the government to:</p> <p>a) deliver its 25 year Environmental Plan and</p> <p>b) increase the powers and resources available to local authorities in order to make the 2030 target easier to achieve.</p>
1.2	<p>The implementation of Environmental Policy” is something for which the Cabinet has responsibility. Therefore, it was appropriate that the Task Group be set up by Cabinet, and report back to it.</p>

2 Current position	
2.1	<p>The task group was originally made up of nine elected members, being seven from the Conservative, one from the GLI Group and one Labour member and was politically balanced.</p>
2.2	<p>It is proposed that going forward the Terms of Reference of the task group be amended to state that ‘The East Suffolk Environment Task Group (the Task Group) will consist of nine members and be in proportion to the political groups’ membership of the Council.’</p>
2.3	<p>To reflect the Council’s current political balance, the nine places on the Environment Task Group will be allocated as follows:</p> <ul style="list-style-type: none"> <li>• GLI – five places</li> <li>• Conservative – two places</li> <li>• Labour – two places</li> </ul>

3 How to address current situation	
3.1	<p>Following the appointment of a new Cabinet at the Full Council meeting of the 24 May 2023, Members now need to be appointed to the ETG for a four year term so that it can carry out its work.</p>
3.2	<p>It is proposed that the following Councillors be appointed to the ETG:</p> <ul style="list-style-type: none"> <li>• Councillor Rachel Smith-Lyte</li> <li>• Councillor Katie Graham</li> <li>• Councillor Janet Candy</li> <li>• Councillor Sarah Plummer</li> </ul>

	<ul style="list-style-type: none"> <li>• Councillor Stephen Molyneux</li> <li>• Councillor Louise Gooch</li> <li>• Councillor Rosie Smithson</li> <li>• Councillor Edward Back</li> <li>• Vacant position – Conservative Group representative</li> </ul>
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#### 4 Reason for recommendation

4.1	Cabinet is asked to appoint the Cabinet Members referred to in paragraph 3.2 above to enable to ETG to carry out its business.
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#### Appendices: None

Appendix A	Environment Task Group Terms of Reference September 2019
Appendix B	Environment Task Group Terms of Reference amended June 2023

#### Background reference papers: None



## East Suffolk Environment Task Group

### Terms of Reference

The East Suffolk Environment Task Group (the Task Group) will consist of nine members (seven Conservatives, one GLI and one Labour).

The Terms of Reference for the Task Group are:

- I. To make recommendations to Cabinet on areas for improvement following the review of existing policies which impact on the environment and to identify and make recommendations on developing new environmental policies, where required, which will help to protect and enhance the environment.
- II. To recommend to Cabinet appropriate action plans and targets to help deliver the Council's environmental ambitions, including becoming carbon neutral by 2030.
- III. To consider and comment on the business case for investment and project delivery plans developed as part of the environment action plan before consideration by Cabinet.
- IV. To monitor progress with delivering the action plans and achieving targets and report on progress to Cabinet on a quarterly basis.
- V. To consider government consultation documents relating to environmental matters and assist Cabinet in formulating its response.
- VI. For members of the Task Group to act as Environmental Champions for the East Suffolk Council and their parish councils, leading by example and advocating for good environmental stewardship.
- VII. To identify areas for further research and invite presentations, workshops and discussions with experts in a wide range of environmental issues, as appropriate, to help inform the Council's policies and action plans.
- VIII. To consider the best way of engaging with key partners of the Council on environmental issues
- IX. To consider and help formulate a communication strategy to promote the Council's activities relating to environmental issues.

*As agreed by Cabinet on 3 September 2019.*



## East Suffolk Environment Task Group

### Terms of Reference

The East Suffolk Environment Task Group (the Task Group) will consist of nine members in proportion to the political make up of the Council.

The Terms of Reference for the Task Group are:

- I. To make recommendations to Cabinet on areas for improvement following the review of existing policies which impact on the environment and to identify and make recommendations on developing new environmental policies, where required, which will help to protect and enhance the environment.
- II. To recommend to Cabinet appropriate action plans and targets to help deliver the Council's environmental ambitions, including becoming carbon neutral by 2030.
- III. To consider and comment on the business case for investment and project delivery plans developed as part of the environment action plan before consideration by Cabinet.
- IV. To monitor progress with delivering the action plans and achieving targets and report on progress to Cabinet on a quarterly basis.
- V. To consider government consultation documents relating to environmental matters and assist Cabinet in formulating its response.
- VI. For members of the Task Group to act as Environmental Champions for the East Suffolk Council and their parish councils, leading by example and advocating for good environmental stewardship.
- VII. To identify areas for further research and invite presentations, workshops and discussions with experts in a wide range of environmental issues, as appropriate, to help inform the Council's policies and action plans.
- VIII. To consider the best way of engaging with key partners of the Council on environmental issues
- IX. To consider and help formulate a communication strategy to promote the Council's activities relating to environmental issues.

*Updated July 2023*



**CABINET**  
**Tuesday, 11 July 2023**

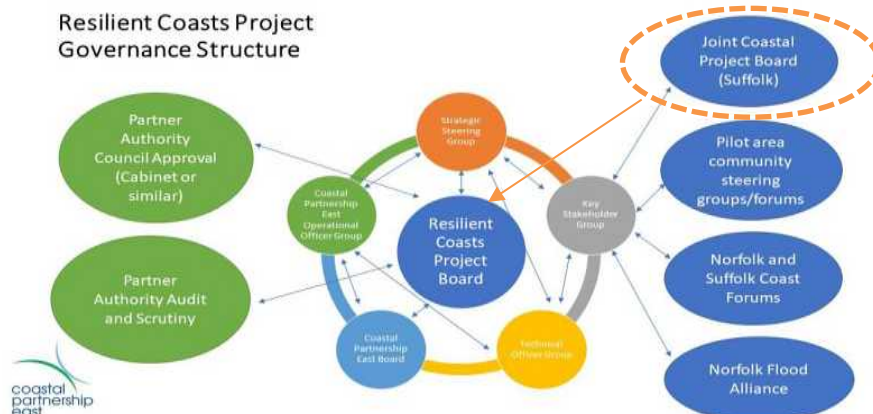
<b>Subject</b>	Resilient Coasts Project Board Governance Structure
<b>Report by</b>	<p>Cllr Kay Yule</p> <p>Cabinet Member with responsibility for Planning and Coastal Management</p>
<b>Supporting Officer</b>	<p>Trazar Astley-Reid</p> <p>Programme Manager Resilient Coasts</p> <p>Coastal Partnership East</p> <p><a href="mailto:Trazar.astley-reid@eastsoffolk.gov.uk">Trazar.astley-reid@eastsoffolk.gov.uk</a></p> <p>No telephone contact please use TEAMS</p>

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is <b>NOT</b> in the public interest to disclose the exempt information.	Not applicable
<p><b>Wards Affected: Original group agreed at Cabinet 07,09,2021</b></p> <p><b>New request:</b></p>	<p>Gunton &amp; St Margarets</p> <p>Aldeburgh and Leiston</p> <p>Kirkley and Pakefield</p> <p>Lothingland</p> <p>To include the above &amp; Pilot Site Wards below:</p> <p>Hemsby – Hemsby Civil Parish</p> <p>Pakefield – Kirkley and Pakefield Ward</p> <p>Thorpeness – Aldringham cum Thorpe Civil Parish</p> <p>Southwold – Southwold Civil Parish</p> <p>Great Yarmouth – Great Yarmouth Borough</p> <p>Lowestoft – Lowestoft Town Council</p>

## Purpose and high-level overview

### Governance Structure for Resilient Coasts:



**Purpose of Report:** To alter the Governance structure of Resilient Coasts to amalgamate the Joint Coastal Project Board (JCPB Suffolk) onto the Resilient Coasts Project Board. The New Resilient Coasts Project Board is yet to be initiated due to the recent elections in May 2023.

#### Reason for the change in Governance Structure:

We believe drawing in the knowledge from the JCPB Suffolk into the Project Board for Resilient Coasts will enable the project to build on the established knowledge of this group and to increase local knowledge and buy-in for the Resilient Coasts Project.

Establishing a full, clear open, honest and transparent governance structure is crucial to decision making. Best practice for other projects such as the Gorleston to Lowestoft Coastal Strategy has ensured that decisions made about future coastal management are open to scrutiny, giving confidence to communities and statutory partners such as the Environment Agency, Natural England and Defra.

The JCPB Suffolk are already committed to attend four meetings per year. If this request is not accepted the, officers and partners, will need to attend 4-8 more meetings per year.

#### Options:

Option 1. To start the Resilient Coasts Project Board meetings with the Members of the JCPB Suffolk and additional Pilot Sites included. This would reduce the number of meetings attended by officers and members. And the need to set up another group to incorporate the additional pilot sites Great Yarmouth and Lowestoft.

Option 2. To request the members of the JCPB Suffolk also attend the Resilient Coasts Project Board meetings and request other Pilots sites request to attend the JCPB.

Option 3. To request the members of the JCPB Suffolk also attend the Resilient Coasts Project Board meetings in addition to the NCPB Suffolk meetings. In addition request that the Pilot Sites for Resilient Coast set up another Group to include Lowestoft and Great Yarmouth.

**Recommendations:**

That the amalgamation of the Joint Coastal Project Board (Suffolk) onto the Resilient Coasts Project Board be approved.

## Corporate Impact Assessment

**Governance:**

Partial project governance has been established. Table 1. Proposed Amalgamation of the two groups into the Resilient Coasts Project Board

Name of Group	Linked to/Membership
<p><b>Resilient Coasts Project Board:</b></p> <p>Chair: (ESC Planning and Coastal Management Portfolio Holder)</p> <p>Vice Chair: Elective Member GYBC (GYBC Chair of Environment Committee)</p>	<p>Central to the project and made up of elected members and critical partners</p> <p>Likely to be:</p> <p>Environment Agency</p> <p>Natural England</p> <p>GYBC elected members</p> <p>ESC elected members</p> <p>Strategic Directors ESC/GYBC</p> <p>Head of CPE</p> <p>Chaired by the Planning and Coastal Management Portfolio Holder</p> <p>Chair of the Strategic Steering Group</p> <p>Vice-Chair will be GYBC Elected Member</p> <p>Chair RFCC</p> <p>NALEP</p>
<p><b>Current Joint Coastal Projects Board (Suffolk)</b></p>	<p>Chair – (Previously) Cllr Tony Cooper</p> <p>Brings together EA/NE and affected wards members to take an overview of coastal projects along the coast. Can make recommendations to Cabinet.</p> <p>Pilot Site Wards:</p> <p>Hemsby – Hemsby Civil Parish</p> <p>Pakefield – Kirkley and Pakefield Ward</p> <p>Thorpeness – Aldringham cum Thorpe</p>



	<p>Civil Parish</p> <p>Southwold – Southwold Civil Parish</p> <p>Great Yarmouth – Great Yarmouth Borough</p>	
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**ESC policies and strategies that directly apply to the proposal:**

East Suffolk Council Constitution

East Suffolk Strategic Plan

East Suffolk Economic Growth Plan

**Environmental:**

Environmental studies and surveys and in some cases a full Environmental Impact Assessment will be carried out as appropriate. Liaison with critical organisations such as the Environment Agency, Suffolk Wildlife Trust, the RSPB and Natural England are on-going.

**Equalities and Diversity:**

An Equality Impact Assessment is being undertaken for each project. The development of the appraisal work being undertaken has no impact. This may change as the impacts are further assessed once a preferred option has been identified, particularly if this means a significant change. Any option identified however, will be open to public scrutiny and seeks to enhance and enable inclusive growth and enhance community development.

**Financial:**

No implications

**Human Resources:**

No resource implications for the recommendation included in this report. This request would reduce the officer resource needed.

**ICT:**

No implications.

**Legal:**

No legal implications for the recommendation included in this report.

**Risk:**

Risk Register in place for the Resilient Coasts Project Board

<b>External Consultees:</b>	<b>David Beavan &amp; Tom Daly</b>
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## Strategic Plan Priorities

Select the priorities of the <a href="#">Strategic Plan</a> which are supported by this proposal: <i>(Select only one primary and as many secondary as appropriate)</i>		Primary priority	Secondary priorities
<b>T01</b>	<b>Growing our Economy</b>		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P02	Attract and stimulate inward investment	<input checked="" type="checkbox"/>	<input type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input checked="" type="checkbox"/>	<input type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P05	Support and deliver infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T02</b>	<b>Enabling our Communities</b>		
P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P07	Taking positive action on what matters most	<input checked="" type="checkbox"/>	<input type="checkbox"/>
P08	Maximising health, well-being and safety in our District	<input type="checkbox"/>	<input type="checkbox"/>
P09	Community Pride	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>T03</b>	<b>Maintaining Financial Sustainability</b>		
P10	Organisational design and streamlining services	<input type="checkbox"/>	<input type="checkbox"/>
P11	Making best use of and investing in our assets	<input type="checkbox"/>	<input type="checkbox"/>
P12	Being commercially astute	<input type="checkbox"/>	<input type="checkbox"/>
P13	Optimising our financial investments and grant opportunities	<input type="checkbox"/>	<input type="checkbox"/>
P14	Review service delivery with partners	<input type="checkbox"/>	<input type="checkbox"/>
<b>T04</b>	<b>Delivering Digital Transformation</b>		
P15	Digital by default	<input type="checkbox"/>	<input type="checkbox"/>
P16	Lean and efficient streamlined services	<input type="checkbox"/>	<input type="checkbox"/>
P17	Effective use of data	<input type="checkbox"/>	<input type="checkbox"/>
P18	Skills and training	<input type="checkbox"/>	<input type="checkbox"/>
P19	District-wide digital infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T05</b>	<b>Caring for our Environment</b>		
P20	Lead by example	<input type="checkbox"/>	<input type="checkbox"/>
P21	Minimise waste, reuse materials, increase recycling	<input type="checkbox"/>	<input type="checkbox"/>
P22	Renewable energy	<input type="checkbox"/>	<input type="checkbox"/>
P23	Protection, education and influence	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>XXX</b>	<b>Governance</b>		
XXX	How ESC governs itself as an authority	<input type="checkbox"/>	<input type="checkbox"/>
<b>How does this proposal support the priorities selected?</b>			
<b>Growing our Economy</b>			
<b>1. Attract and stimulate inward investment</b>			
<p>In the 2019 House of Lords Select Committee on the regeneration of coastal towns it was recognised that, to attract inward investment into coastal areas, it is crucial to manage coastal change. Managing coastal change effectively requires a periodic review of evidence, data and policy to ensure that the right decisions are being made for the future of that area and that protection or adaptation maximises opportunities for future growth</p>			

to the local economy. The proposed Joint Coastal Projects Board will provide overview of the current review process, keeping local economy as one of the important areas of focus.

## 2. Maximise and grow the unique selling points of East Suffolk

Arguably, the jewel in East Suffolk’s crown is its beautiful coast; wild and untouched in some areas and developed to accommodate the growth of coastal communities in others. Whether natural or populated, the coast requires review and management to ensure that actions taken or plans for adaptation enhance this most unique of selling points. The proposed Joint Coastal Projects Board will provide overview of the current review process, keeping the coastal environment as one of the important areas of focus.

### Enabling our communities

#### 1. Taking positive action on what matters most.

Our coastal communities need to feel reassured that we are supporting the management of the Suffolk coast. Suffolk has one of the fastest eroding coastlines in western Europe. The 2021 Intergovernmental Panel on Climate Change (IPCC) report recognises the increased risk to coastal communities of increased erosion. The projects in Corton & Gunton, Pakefield and Thorpeness are conducting important reviews of coastal processes and determining options for the future of those coastal communities. The proposed Joint Coastal Projects Board will provide overview of the current review process, keeping coastal change and potential options for coastal communities as critical areas of focus.

### Caring for our environment

#### 1. Protection, education and influence

As previously mentioned, our coastal communities need to feel reassured that we are supporting the management of the Suffolk coast. Managing the coast is not necessarily building hard defences; this may not be an appropriate course of action. Coastal processes, environmental considerations and financial constraints may mean that, longer-term, we will need to work with our coastal communities to create options for an alternative future, an adaptation of their community. Adopting adaptation pathways takes time. Coastal communities need to feel that they are architects of change not victims of change. This means working closely with them to explore data, evidence and potential options. The proposed Joint Coastal Projects Board will provide overview of the current review process in Corton & Gunton, Pakefield and Thorpeness, supporting conversations around coastal change and potential options for coastal communities as critical areas of focus.

## Background and Justification for Recommendation

1 Background facts	
1.1	<p><b>The Resilient Coasts Project:</b> Coastal Partnership East submitted an Outline Business Case (OBC) to the Flood and coastal resilience innovation programme <b>FCRIP</b> in 2021 it was approved by Cabinet on the 7<sup>th</sup> of June 2022 to receive £8.4 million external funding from the Governments Innovation Programme, with CPE contributing £750K. Projects Duration March 2022 – 31<sup>st</sup> March 2027.</p>

**The Innovation Programme-** In the 2020 Budget, the government announced a £200 million innovation fund to help meet the aims set out in the: Government's policy statement on flooding and coastal erosion. Environment Agency's National Flood and Coastal Erosion Risk Management Strategy for England Between 2021 and 2027, the flood and coastal resilience innovation fund, managed by the Environment Agency, will allocate:

**FCRIP** - £150 million to the flood and coastal resilience innovation programme where 25 local areas will demonstrate how practical innovative actions can work to improve resilience to flooding and coastal erosion

**FCRIP broad aims:**

FCRIP has allocated £150 million to 25 local areas. With this funding, projects will demonstrate how practical innovative actions can work to improve resilience to flooding and coastal erosion. These 'resilience actions' can be individual or a combination of actions. Resilience actions might include:

- nature based solutions
- sustainable drainage systems
- approaches for making existing properties more flood resilient
- encouraging local businesses to improve their flood resilience
- building community and voluntary sector capacity to respond and recover

**Programme aims:**

The aims of the flood and coastal resilience innovation programme are to:

- encourage local authorities, businesses, and communities to test and demonstrate innovative practical resilience actions in their areas.
- improve the resilience of 25 local areas, reducing the costs of future damage and disruption from flooding and coastal erosion.
- improve evidence on the costs and benefits of the innovative resilience actions and demonstrate how different actions work together across geographical areas.
- use the evidence and learning developed to inform future approaches to, and investments in, flood and coastal erosion risk management.

**Types of innovation**

- Combinations of actions that maximise overall resilience.
- This includes a combination of different resilience actions working together to improve resilience to flooding and coastal change. Specifically, we want to understand how actions complement one another, and add more value compared to individual actions.

**Broadening the range of resilience actions,** The projects will:

- fill gaps in our evidence on the costs and benefits of types of resilience actions.
- seek to roll out resilience actions that have only been trialled in a limited number of places or circumstances.

	<ul style="list-style-type: none"> <li>• trial new flood and coastal resilience activities</li> <li>• Increasing uptake and achieving resilience actions</li> </ul> <p><b>This includes:</b></p> <ul style="list-style-type: none"> <li>• new approaches to achieve a resilience action, for example, using new partnerships, or different ways of working or funding projects to achieve the outcomes.</li> <li>• actions which seek to overcome existing blockers or barriers.</li> </ul> <p><b>Project specifications:</b>  <b>Resilient Coasts March 2022 – March 2027</b></p> <p><b>Case study sites:</b> Lowestoft, Hemsby, Pakefield, Great Yarmouth, Southwold, Thorpeness,  <b>Twin sites:</b> Corton and Gunton, Winterton, Shotley</p> <p>The Resilient Coasts project works alongside affected coastal communities in carefully selected pilot locations to create practical resources that enable practitioners, people, economies and environment of the Great Yarmouth and Suffolk coastal frontages to transition to a climate resilient coast.</p> <p><b>Short description of the benefits</b></p> <ul style="list-style-type: none"> <li>• The Resilient Coasts project will deliver practical solutions to deal with climate change and sea level rise that are co-created and implemented by communities. The project aims to facilitate a sense of ownership that increases community resilience to tidal flooding and coastal erosion.</li> <li>• High risk communities with no resilience options will benefit from a suite of innovative resources that will allow them to plan and transition in response to coastal change to viable, sustainable places whilst delivering wider outcomes of local plans and strategies.</li> <li>• Our project will add value to traditional coastal management and planning approaches and go beyond other resilience work initiatives by offering the first dedicated joint UK erosion and tidal risk resilience project. This will generate significant learning locally, nationally, and across public and private sectors. The project will provide evidence for policy change and underpin how coastal practitioners manage the coast as we learn to adapt to coastal change now and in the future.</li> </ul>
1.2	<p>Over the last two years Corton &amp; Gunton, Hemsby, Pakefield and Thorpeness have experienced increased rates of erosion. This rate of erosion is impacting upon homes, businesses and the communities in these areas. Three projects have been initiated to capture and review data and evidence around coastal processes and to assess options. In addition, Shoreline Management Plan policies are being examined. There is an urgency amongst the communities in these areas to move forward swiftly to identify what options are available. Project start for each area was impacted upon by delays caused by COVID 19. However, all projects have made good progress since November 2020 despite those difficult circumstances.</p>

1.3	<p>In 2016 the Environment Agency approved the Gorleston to Lowestoft Coastal Strategy. This was then approved by Waveney District Council Cabinet. The coastal strategy reviewed the management intent of the Shoreline Management Plans 6 and 7, covering the coast from Gorleston in the north to Pakefield in the south.</p> <p>The coastal strategy made recommendations for management actions based upon data gathered in 2014. Since then, erosion in <b>Corton and Gunton</b> has increased. The erosion in Gunton exposed oil on the beach from a spill from the Eleni V in the late 1970s. Anglian Water has critical infrastructure in this area, serving Lowestoft and Corton, which may potentially be impacted by the continued erosion.</p> <p>The initial options appraisal for the Corton &amp; Gunton project began in November 2020, focusing first on Gunton and working in partnership with Anglian Water.</p> <p>At the time of approval in 2016 <b>Pakefield</b> benefitted from a significant beach. The recommendations of the coastal strategy therefore focused on the monitoring of beach levels suggesting if beach levels deteriorated to:  If partnership funding is available: design new works, obtain permission and construct.  If partnership funding is not available: carry out regular assessment of the erosion; engage with the local community on impacts and way forward; if necessary, develop adaptation and exit strategies.</p> <p>Over the four years since the approval of the coastal strategy beach levels at Pakefield have deteriorated significantly. This is largely due to Benacre Ness moving north at an approximate rate of 50 to 80m per annum, bringing with it a period of erosion ahead of the beach building again.</p> <p>Mott MacDonald were contracted in February 2021 to begin an options appraisal and Shoreline Management Plan review. Pakefield also continues to be regularly monitored by the Coastal Partnership East engineering team.</p>
1.4	<p><b>Thorpeness</b> has experienced long periods of erosion. In 1976 gabion baskets were put in place by Suffolk County Council. In 2010 the community worked with Suffolk Coastal District Council and contributed funds to install geo-textile bags to help slow the erosion to the northern end of Thorpeness beach. This intervention was designed to last up to 20 years. Unfortunately, the increased erosion here has meant that the geo-textile bags have lasted less than 10 years.</p> <p>Royal Haskoning DHV were contracted in February 2021 to develop options for this frontage. It is accepted by the local community that any option will not be a long-term solution. The pressure on coastal processes and the need for a defence to be removed before it is detrimental to natural processes, means that the design life will be for no longer than 25 years with continual monitoring.</p> <p>The well-established community steering group (now a Community Interest Company) are raising funds to progress with a rock revetment.</p>
1.5	<p>It is note-worthy that all 4 projects are part of the Norfolk and Suffolk Coast Transition Programme (NSCT); either as a pilot area or a twinned area. NSCT was awarded £8.4m as a winning bid as part of Defra’s Innovative Resilience Fund.</p>

2 Current position	
2.1	The Resilient Coasts Project Board TOR is yet to be developed so this is a timely opportunity to set the TOR with the new requested members of the JCPB and New Members Including Great Yarmouth and Lowestoft Pilot Sites.
2.2	Establishing a full, clear open, honest and transparent governance structure is crucial to decision making. Best practice for other projects such as the Gorleston to Lowestoft Coastal Strategy has ensured that decisions made about future coastal management are open to scrutiny, giving confidence to communities and statutory partners such as the Environment Agency and Natural England.

3 How to address current situation	
3.1	Option 1, provides the best possible outcome for all Pilot Sites within Resilient Coasts and members. The resource implications for Members, officers and partners are significantly less and therefore more likely to be possible in line with other commitment.

4 Reason/s for recommendation	
4.1	The implementation of Option 1, the Amalgamation would support the Project Team in ensuring that critical pathways are met, and progress is made through the project stages in a timely manner.
4.2	Best practice gathered from other coastal projects in East Suffolk such as the Gorleston to Lowestoft Coastal Strategy and the Lowestoft Flood Risk Management Project demonstrates that a robust governance structure supports decision making and aids liaison with partner organisations. In addition, communities and partners are reassured that decision making is sound when supported by good project governance.

## Appendices

Appendices:	
<b>Appendix A</b>	Terms of Reference for the JCPB (Suffolk)
<b>Appendix B</b>	Resilient Coasts Outline Business Case

Background reference papers:		
Date	Type	Available From
	Gorleston to Lowestoft Coastal Strategy	<a href="http://www.coasteast.org.uk/projects">www.coasteast.org.uk/projects</a>
	Shoreline Management Plan 7 – Lowestoft Ness to Landguard Point	<a href="http://shorelinemanagementplan7.suffolksmp2.org.uk">Shoreline Management Plan 7 (suffolksmp2.org.uk)</a>
	Pakefield progress report	<a href="http://www.coasteast.org.uk/projects">www.coasteast.org.uk/projects</a>
	Thorpeness progress report	<a href="http://www.coasteast.org.uk/projects">www.coasteast.org.uk/projects</a>

**Joint Coastal Project Board  
Corton/Gunton/Pakefield/Thorpeness**

**Terms of Reference**

**(9<sup>th</sup> August 2021)**

## **1. Introduction**

These terms of reference are for the Joint Coastal Project Board, covering projects in Corton, Gunton, Pakefield and Thorpeness. The Board are responsible for providing an oversight of the projects relating to the coast from Corton in the north to Thorpeness in the south, taking into consideration the Gorleston to Lowestoft Coastal Management Strategy and the relevant Shoreline Management Plan (SMP) policies (SMP7). Both the coastal strategy and the SMP have been endorsed by East Suffolk Council and formally signed off by the Environment Agency.

The role of the Board is in the context of a wider Governance Structure, which includes an officer-led Project Teams and community-led stakeholder groups. The projects are all partnership, encompassing a range of flood and coastal risk management issues that require the involvement of community and businesses locally.

Given the many elements involved in the project areas from Corton to Thorepness and the number of local parishes, communities and businesses involved it is important that there is a Joint Coastal Project Board who are able to provide strategic direction to enable recommendations to be taken to the relevant authorities such as the East Suffolk Council Cabinet or the Environment Agency, provide guidance to the officer led Project Team and act as a democratically representative group on behalf of all those affected by the flood and coastal erosion risk issues encompassed by the studies and other related work happening in this area.

## **2. The Project Board is therefore required to:**

- Support the partnership approach.
- Support and steer the Project Team and assist with opportunities and challenges faced by them.
- Challenge and endorse recommendations of the Project Team regarding potential options for flood and coastal erosion risk management in the project areas from Corton to Thorpeness.
- Ensure local people and businesses have had opportunity for appropriate involvement in the project(s) through an agreed communications strategies for each project.
- Make recommendations on funding requirement/spend.



- Ensure cost beneficial strategic flood and coastal risk management options are developed where it is appropriate to do so.

This will be achieved by.

- Attending 4 Board Meetings per annum
- Collaborative working at the Board meetings.
- Seeking wider views of those you represent outside of Board meetings
- Facilitating discussions outside of Board meetings, where appropriate, regarding funding and facilitating options that bring a wide range of benefits

### **3. Group Responsibilities and Membership**

#### **The Project Board will:**

- Review tasks undertaken by the relevant Project Manager and Project Team and monitor progress at Board meetings and through updates.
- Have an understanding of the flood and coastal erosion risk issues and potential solutions (following presentations at Board meetings).
- Support the project team development of any FDGIA Business Cases, towards the delivery of flood and coastal erosion protection measures.
- Agree communications and public engagement strategies and action plans for each project.
- Support the project(s) with engagement opportunities, where appropriate and share feedback from stakeholders and partners.
- Identify any other relevant work that might need to be included in the project(s) or linked to other projects as part of the delivery of flood and coastal erosion risk management work in this area.
- Identify any opportunities that could be encompassed within the project(s).
- Identify other sources of funding and flag opportunities to the project team.
- Highlight any technical, social, economic or political risks to developing any of the projects or work in this area.

#### **Membership of the Project Board includes:**

- **Corton Parish Council**
- **Gunton Parish Council**
- **Lowestoft Town Council**
- **Pakefield Parish Council**
- **Thorpeness Parish Council**
- **Suffolk County Council (Highways, Lead authority for Rights of Way and Lead authority for Archaeology, Lead Local Flood Authority)**
- **East Suffolk Council (Lead Planning Authority/ Coast Protection Authority)**
- **Environment Agency**
- **Natural England**
- **Nominated District councillors**
- **Anglian Water**

#### **4. Governance.**

The Project Team will report to the Project Board with technical information, communication and funding activities and feedback and development of preferred solutions or next steps depending on the project involved. The Project Team will highlight project risks to the Board for their consideration. The Project Board will also receive feedback from the community steering groups following local engagement activities.

Key matters for Project Board Governance.

1. The Chairman of the Board will be chosen from its members and elected on an annual basis.
2. Each member appointed to the Board will be afforded a vote except that the Chairman of the Board will be afforded a casting vote in the event of a tied vote.
3. Where a member is not able to attend a meeting, substitute provision from the same organisation is encouraged.
4. The quorum for meetings will be 5 Board members
5. In attending Board Meetings, it is assumed that each member has the backing of their respective organisations and can speak on their behalf excepting that funding decisions may need to be referred back to the relevant organisation.
6. Board Meetings are not open to the public nor press to attend.

## Resilient Coasts

ES/1567

## Outline Business Case

East Suffolk Council in partnership with Great Yarmouth  
Borough Council & Coastal Partnership East

29th April 2022



## Issue and revision record

Revision	Date of Issue	Originator	Checker	Approver	Description

## Comment sheet

Changes from EoI Submission to OBC
1. Change in title due to need to distinguish project from the NNDC CTAProgramme
2. Change in pilot locations due to need to distinguish project from the NNDC CTAProgramme
3. Costs have been reprofiled in light of the OBC stage being introduced post-EOI.

## Summary of submission

Project name: Resilient Coasts

Project short name: N/A

Project reference: **ESF008**

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Total project value: **£9,131,724**

OBC submission value for approval: **£9,131,724**

Public contributions (£): **£720,000**

Private contributions (£): **£0**

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Primary source of risk:

**Coastal erosion**

Secondary sources of risk:

**Coastal flood risk**

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Milestone Full Business Case Approval TBC

Milestone – Readiness for service **July 2028**

Project completion **July 2028**

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## Short description of the project

**Our Vision is to create a toolkit of options that enable the people, economies and environment of Norfolk and Suffolk to transition to a climate resilient coast. Our Legacy will be to create a 30 year catchment-based, coastal management approach that creates climate resilient place by 2045**

Managing East Anglia’s soft eroding coast is currently challenging and reactive. With 2500 homes at risk of erosion, and thousands more relying on infrastructure and utilities in coastal change management areas, we need a broader approach to coastal management. This project will allow our coast to transition from reactive to planned solutions that deliver improved outcomes. Our Coastal Adaptation Toolkit will plug existing gaps, offer a suite of tools based on new evidence, and support co-created community resilience ‘master plans’ for pilot areas. Ultimately, this project will create a sustainable transition framework, serving as a blueprint for resilient coasts that are socially, economically and environmentally viable, while having the scope to flex and develop as coastal change occurs.

## Short description of the benefits

The Resilient Coasts project will deliver practical solutions to deal with climate change and sea level rise that are co-created and implemented by communities. the project aims to facilitate a sense of ownership that increases community resilience to tidal flooding and coastal erosion.

High risk communities with no resilience options will benefit from a suite of innovative tools that will allow them to plan and transition in response to coastal change to viable, sustainable places whilst delivering wider outcomes of local plans and strategies.

Our project will add value to traditional coastal management and planning approaches and go beyond other resilience work initiatives by offering the first dedicated joint UK erosion and tidal risk resilience project. This will generate significant learning locally, nationally, and across public and private sectors. The project will provide evidence for policy change and underpin how coastal practitioners manage the coast as we learn to adapt to coastal change now and in the future.

---

Lead authority	<b>East Suffolk Council</b>
Delivery partners	<b>Great Yarmouth Borough Council and Coastal Partnership East</b>
Project risk (£)	<b>1,184,400; 20%</b>
Optimism bias value (£)	<b>1,776,600; 30%</b>

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**Expenditure Profile:**

<b>Costs per year (£k)</b>	<b>2021-2022</b>	<b>2022-2023</b>	<b>2023-2024</b>	<b>2024-2025</b>	<b>2025-2026</b>	<b>2026-2027</b>	<b>Total (£k)</b>
Flood and Coastal Resilience Innovation Programme Funding	569.5	1,526	2,370.9	2,195.	1,182.2	567.8	8,411.7
Contributions		140	140	150	150	140	720
<b>Total Project Expenditure</b>	<b>569.5</b>	<b>1,666</b>	<b>2,510.9</b>	<b>2,345.3</b>	<b>1,332.2</b>	<b>707.8</b>	<b>9,131.7</b>

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*Coastal Partnership East is an embedded service of local authority officers based across 3 local authorities offering skills and expertise to manage the coast on behalf of NNDC, GYBC and ESC. The partnership formed in 2016 following discussions about the need to build skills and capacity in coastal management given the current and future challenges and opportunities facing our coast. .... 69*

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2D	Summary of the Pilot projects and benefits
3C	Investment and innovation key risk register
3D	Economics report
3E	Strategic Risk Register
4A	Procurement strategy
5A	Detailed expenditure profile
6B	Project management and Quality Plan
6C	Route map and programme summary
6D	Detailed programme
6F	Working Glossary
6H	Readiness Assessment



## 1. Executive Summary

### 1.1 Strategic Case

- The Climate Change Committee Risk Assessment (CCCRA,2021) states that much of the UK coast is at high risk of climate change impacts through increased storminess and sea level rise. The report highlights significant impacts to communities, businesses, infrastructure and loss of coastal habitats. The report also flags that the viability of our coasts is not well understood and recommends we that action is taken now to deliver adaptive and resilient approaches.
- Norfolk and Suffolk have some of the fastest eroding coasts in Europe, with over 2500 homes at risk. Thousands more properties are at direct and indirect erosion and flood risk including tourism accommodation, business premises and nationally and locally important infrastructure, utilities and assets that support viable communities and economies within the lifetime of the Shoreline Management Plan (SMP).
- Recent national reports and enquiries have highlighted the limited options available to those facing property loss through erosion compared to flood risk areas. There are currently no financial mechanisms to support property owners individually or collectively to adapt their homes and businesses or support roll-back and relocation. Erosion risk mapping data is not up to date and many people living and working on the coast are unaware of the risks of a changing coast and how it can affect them. The CCCRA (2021) report also signposts the need to broaden our approach from 'properties at risk' data to the viability of a place.
- The impacts of coastal change on mental health and wellbeing are also not well understood but early evidence suggests erosion impacts have a significant impact. Nature based solutions for the open coast are also extremely limited with no equivalent natural flood management frameworks for coastal erosion frontage. The value of eroding cliffs to sediment supply and natural coastal management is documented in Shoreline Management Plans as critical on some frontages to the overall sustainable management of the coast. However, there are currently no natural capital evaluations of this benefit and therefore no financial mechanisms to support this approach.
- There have been several national reports and enquiries into coastal towns and management. Recommendations that more is done to support coastal adaptation and resilience have been integrated into the government's Flood and Coast Erosion Risk Management (FCERM) Strategy (2020) and subsequent Action Plan (led by the Environment Agency) alongside new government coastal policy (2020) (led by Defra).
- The national policy and strategy framework for transitioning our coast is now in place and the Flood and Coast Resilience Innovation Programme (FCRIP) funding for our Resilient Coasts project will support the delivery of innovative approaches to overcome coastal management challenges with our coastal communities along the East Suffolk and Great Yarmouth coastal areas.

- The project will achieve practical changes which increase coastal resilience and deliver wider public benefits such as enhanced knowledge of risk, improvements to mental health and well-being, greater coastal access, flexible property and coastal defence solutions, enhanced public realm and amenity and overall reduced risk of coastal change impacts.
- The project will be consistent with delivery of the Shoreline Management Plan (SMP) actions for the Suffolk SMP7 managed by East Suffolk Council and parts of the Norfolk SMP6 that relate to the Great Yarmouth Borough Council frontage.
- The Resilient Coast project will go beyond other resilience work programmes to deliver a revolution in coastal management that is needed to meet the challenges of climate change and sea level rise.
- The project will deliver a complete suite of mapping, planning, engagement, technical, financial and policy tools to support coastal transition for Norfolk and Suffolk communities, which could be applied to the rest of the UK coast.

## 1.2 Core themes of project and work packages

The Core themes of the project align with the ambitions of the Environment Agency’s FC RIP programme and FCERM Strategy as well as several key national, regional and local plans, policies and strategies summarised in table 1.2.1.

Resilient Coasts aims to support the creation of climate ready places, people and policy supported by resilient innovative funding and finance approaches through the following six themes:



**Figure 1.2.1 Summary of the Resilient Coasts project Strategic Themes.**

Our six themes will be delivered through a series of 8 work packages

WP1	WP2	WP3	WP4	WP5	WP6	WP7	WP8
Understanding Risk	Coastal Spatial Mapping	Adaptation Funding and Financing	Community Transitioning Toolkits (behavioural change)	Integrated investment Strategy	Community Adaptation Masterplans	Policy Challenge	Costed Asset Management Plan

**Figure 1.2.2 Summary of the Resilient Coasts project work packages**

These work packages will be developed with our communities and partners and are designed to lead to a suite of co-created tools that can be used by communities and practitioners to produce community resilience masterplans for any coastal location. Further details on the project deliverables that will underpin the masterplans are provided in section 1.3 below.

**The programme will create a resilient coast in Norfolk and Suffolk by:**

- engaging with our communities
- creating emergency and incident response plans
- seeking to minimise damage and disruption to local businesses
- creating new tools for monitoring and managing our coast
- delivering options that support naturally functioning coastal areas
- investigating areas for improvements to policy and practice, notably, innovative funding, finance, and behavioural change.

**Programme Outputs**

The Resilient Coasts project will embed FCRIIP resilience actions into a series of outputs that are summarised in figure 1.3.1 below



**Figure 1.3.1 The key outputs of the Resilient Coasts project**

Each of the above outputs is now described in more detail:

- **GIS Coastal Zone Erosion Risk map and Spatial Plan** that informs planning and development decisions and includes new erosion and flood risk data, SMP policies, location of property and infrastructure, social and economic information, planning policies, land available for relocation and roll back and nature-based solutions. It will form the basis of future decision making supporting more integrated local community and central and local government policy ambitions.
- **Engagement toolkit** that builds upon current good practice and new approaches to support our coastal communities transitioning towards greater local and strategic understanding of resilience and adaptation to coastal change. The toolkit will be for communities and practitioners to co-create solutions over different timescales from imminent erosion risk to longer term change and include visualisations and virtual tools to support how our coast may change and how we can respond.
- **Adaptation Funding Mechanism** will bring together new innovative funding and finance approaches to support resilience and adaptation measures for communities, businesses, nature and individuals facing coastal change. The tools will include different options for at-risk communities depending on the level of risk and time available to implement options. Through identification of broader benefits (including natural capital evaluation) and beneficiaries mapping it will include new funding sources to create a sustainable fund to implement coastal resilience.
- **Integrated Infrastructure Investment Plan** will draw together 3<sup>rd</sup> party information about investment plans for infrastructure, assets and utilities that are in the coastal zone and support coastal communities and economies. The IIP will encourage 3<sup>rd</sup> parties to consider their resilience response to coastal change and aim to align investment across different sectors to co-invest in resilience measures and deliver wider outcomes.
- **Costed Asset Management Plan** will include the costs of implementing a range of coastal asset management approaches that support coastal resilience. The Plan will include the costs of decommissioning existing assets that need to be removed to support SMP policy as well as identify where asset removal will be needed and when. In addition, the plan will also include costs for innovative technical solutions that offer short term erosion protection or include broader environmental and social benefits that could attract alternative funding and support wider outcomes. The plan will support coastal management funding discussions with existing central government funds alongside new funding routes.

All the above outputs will support co-created community discussions for each coastal place. The communities and practitioners will have access to the tools above and be supported to create the **Community Adaptation Masterplan** which will encompass the options and opportunities available in any specific coastal location based on the communities needs and the offer of their place. The Masterplan will be the local resilience route map in each place that sets out the technical solutions, planning and development needs, engagement requirements and funding availability based on the risk data and SMP policy. Our pilots will all have a Masterplan in place by the end of the FCRIP programme.

All the above deliverables will form a new **Resilient Coasts Adaptation Toolkit** which will be shared locally and nationally through so that lessons learnt can be applied around the UK coast well before the programme ends. We aim to deploy and share adaptation tools as they are created.

Finally, we will also identify any potential policy and legislative challenges and opportunities throughout the project. It is hoped that Resilient Coast will offer the evidence to inform more streamlined routes for adaptation and resilience delivery post-FCRIP.

## 1.2 Economic case

For erosion, the business as usual (BAU) baseline is a reactive approach. This results in limited rollback opportunities because there is no proactive engagement with communities to encourage them to consider adaptation when there is time to adapt. As a result, the local authority incurs significant costs dealing with emergency interventions once properties get to the point where they are at imminent risk of erosion. For flooding, BAU involves no direct intervention with a gradual increase in flood risk over time due to climate change and sea level rise.

For erosion, the Resilient Coasts Project looks to build on the time before erosion is projected to occur to work with communities to encourage them to prepare and implement community masterplans that will mean they are ready to roll back and adapt to coastal erosion. Work to develop a funding mechanism will mean Rollback opportunities are affordable to all, rather than just those who can finance Rollback themselves. For flooding, the project will work with the community of Great Yarmouth to explore future flood risk options, including improved visual amenity in the form of Millennium Terraces as well as improvement to resilience and flood risk reduction.

The costs of the Coastal Transition project are £9.1 million, with 75% of this targeted at the erosion aspects (£6.8 million) and 25% at the flooding aspects (£2.3 million).

Under BAU, the value at-risk erosion damages are £7.4 million over 100 years for erosion and £36 million over 50 years for flooding. There are no value potential or learning benefits. Under Coastal Transition, value at-risk damages avoided for erosion are £7.4 million, plus £4.4 million value potential benefits. Value at-risk damages avoided for flooding are £8.8 million. There are also an estimated £0.3 million learning benefits for the local community.

This gives giving total benefits of £20.9 million (£12.1 million from erosion aspects and £8.8 million from flooding aspects). The benefit-cost ratio for the Coastal Transitions project (erosion) is therefore 2.3.

The learning benefits are conservatively estimated at this stage and there is significant potential to roll-out the learning to other areas looking to adapt. This includes areas at risk of coastal erosion but could also cover the need to adapt to flooding or, with further research, potentially other issues as well.

## 1.3 Commercial case

The lead local authority for the Resilient Coasts project is East Suffolk Council in partnership with Great Yarmouth Borough Council and delivered by Coastal Partnership East officers from across the two councils. Procurement strategies and approaches for Coastal Partnership East members (East Suffolk Council, and Great Yarmouth Borough Council) are included as links in Appendix 4A. Our Local Authority Procurement processes comply with all those required by local government and include European Union directives and regulations (and any successive changes), Public Contract Regulations 2015, individual local authority financial and contract procedures. All our work is subject to regular scrutiny and audit internally and externally and must demonstrate value for money to the taxpayer.

Due to the innovative nature of the Resilient Coasts project our procurement approach requires our flexible and efficient procurement routes to market based on specific programme objectives to ensure value for money. We have considered the contractual and procurement risks associated with delivery in section 4.2. As we already have a range of well-established routes to market and access to all the specialist services we need through these routes we are confident we can mitigate these risks and demonstrate efficient routes to market to both test costs and procure services.

To mitigate some key risks, we have endeavoured to build skills and capacity within the area through FCRIP funded resource that's dedicated to the Resilient Coast project. This serves to protect the project from external factors that could impact procurement listed in 4.2 and embeds skills and capacity where it's needed. We will also be utilising resource in kind from several partners to increase innovation and further mitigate procurement and capacity risks.

Procurement needs and routes to market are given in the Commercial Case section 4.4. We will demonstrate efficiencies and commercial and innovation opportunities throughout the project which are summarised in section 4.5. We have undertaken pricing and scoping work for all aspects of the project with industry leads and tested the market using Scape Framework and advice from our stakeholders. We also have existing information on community-led approaches and delivery costs that demonstrate value for money.

Full details of our management and governance structure are provided in Section 6.2 of the Management case and Appendix 6A, which outline governance in relation to decision making and procurement outcomes.

## 1.4 Financial case

Table 11 outlines the headline costs. Further detail can be found in section 5 (Financial case) and appendix 5A (detailed costs breakdown).

The costs totals are in-line with:

- the revised EOI submission
- the FCERM7 OBC studies application
- the project FCRIP funding allocation

Table 11: Expenditure Profile (2021-2027)

Costs per year (£k)	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	Total (£k)
<b>Outline Business Case Development cost</b> *See project FCERM7 and 3 for itemised breakdown.	569.5	-	-	-	-	-	<b>569.5</b>
<b>Staff costs</b>	-	286	345.5	350.5	350.5	317.7	<b>1,650.1</b>
<b>External consultant costs</b>	-	482.7	583.7	383.7	115	94	<b>1,659</b>
<b>Full-Business Case Development Cost</b>	-	-	-	-	-	40	<b>40</b>
<b>Construction, supervision and delivery costs of resilience actions</b>	-	195	425	1,130	345.3	-	<b>2,095.3</b>
<b>Monitoring, learning, evaluation and dissemination</b>	-	85	95	40	45	30	<b>295</b>
<b>Risk (20%)</b>	112.5	227.8	391.8	162.8	175.8	113.7	<b>1,184.4</b>
<b>Optimism Bias (30%)</b>	240.6	341.7	587.7	244.2	263.7	98.7	<b>1,776.6</b>
<b>Inflation</b>	33.8	47.8	82.28	34.8	36.9	13.8	<b>248.7</b>
<b>Total</b>	<b>569.5</b>	<b>1,666</b>	<b>2,510.9</b>	<b>2,345.3</b>	<b>1,332.1</b>	<b>707.8</b>	<b>9,131.7</b>

Table 12 outlines the current project funding profile. The contributions are in the form of officer time being provided to the project by Coastal Partnership East.

It is anticipated that further funding will be drawn-in, particularly through the Adaptation Funding Mechanism.

Table 12: Funding Profile (2021-2027)

Costs per year (£k)	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	Total (£k)
Funding allocation	569.5	1,526	2,370.9	2,195.3	1,182.2	567,836	8,411.7
Contributions (CPE Officer time)	-	140	140	150	150	140	720
<b>Total</b>	<b>569,5</b>	<b>1,666</b>	<b>2,510.9</b>	<b>2,345.3</b>	<b>1,332.2</b>	<b>707.8</b>	<b>9,131.7</b>

## 1.5 Management case

The purpose of the management dimension of the Resilient Coasts outline business case is to demonstrate that robust arrangements are in place for the delivery, monitoring and evaluation of the project (Appendix 6D) including feedback into Coastal Partnership East and the partner local authority's strategic planning cycles.

Demonstrating that the project can be successfully delivered requires evidencing that it can be delivered in accordance with best practice, subject to independent assurance and that the necessary arrangements are in place for change and contract management, risk management and evaluation. A detailed readiness assessment is in Appendix 6H and demonstrates the readiness of the team, our partners and communities to manage the Resilient Coast project.

The management case includes a summary of risk and has a full programme, clearly highlighting the critical path. A statement of project assurance outlines scrutiny at both project and constitutional level. Contract management is outlined, citing examples of where this might be applied through NEC3 and NEC4 contracts in addition to the lead authority's own contract management system.

The project is spread across eight work packages, each providing a different product or outcome a project plan is included in Appendix 6G. Multiple methods for monitoring and evaluation are required and included in Appendix 6C. Robust project governance is critical to the project and this case provides the framework to ensure an open, honest and transparent system of governance, which is open to scrutiny. The Governance structure and arrangements are detailed in Appendix 6A and section 6.1. The inclusion of the Section 151 Chief Finance Officer for the lead authority on the Resilient Coasts Board, ensures financial assurance and scrutiny at a high-level.

## 1.6 Recommendations

- We recommend that the EA assurance team approve the Resilient Coasts Project to a total value of £9,131,7000.
- We recommend that the EA assurance team allocate £8,411,700 to East Suffolk Council as the Lead Authority to enable the delivery of the Resilient Coasts Project.
- We recommend that the EA assurance team acknowledge the CPE officer time in-kind contribution of £720,000.
- We recommend that the EA assurance team support the involvement of the national team across their relevant programmes of work into the Resilient Coasts projects to maximise any synergies and learning.



## 2 Strategic case

### 2.1 Strategic context

#### 2.1a Overview

##### Climate change risk

The coast of England and Wales is at high risk of coastal change and the UK Climate Change Risk Assessment report (CCRA21) for flood and coastal change recognises that urgent action is needed to adapt and prepare our coasts to these risks. The report recommends action across all sectors for the next five years but the flood and coast sector briefing is specific about several approaches we need to take. These include engaging communities about the risks, raising awareness about potential impacts, exploring managed realignment and relocation away from the coast, increasing infrastructure and asset resilience and taking integrated approaches to managing adaptation approaches.

## Context-Climate Evidence

- UKCCRA3 June 2021
- Highlights High Risk to much of England and Wales
- Habitats will be adversely impacted or lost
- Local and national infrastructure will be interrupted, damaged or lost
- Coastal communities may no longer be viable in some places
- Businesses and industry will no longer be viable in many places
- No national mechanism to assess Coastal Viability



Risk or opportunity	England	N. Ireland	Scotland	Wales
Risks to aquifers and agricultural land from sea level rise, saltwater intrusion (R10)	High	High	High	High
Risks and opportunities to coastal towns and villages (R17)	High	High	High	High
Risks to infrastructure services from river, surface water and groundwater flooding (R2)	High	High	High	High
Risks to infrastructure services from coastal flooding and erosion (R3)	High	High	High	High
Risks to bridges and pipelines from flooding and erosion (R4)	High	High	High	High
Risks to transport networks from slope and embankment failure (R5)	High	High	High	High
Risks to people, communities and buildings from flooding (R6)	High	High	High	High
Risks to the viability of coastal communities from sea level rise (R4a)	High	High	High	High
Risks to business sites from flooding (R8)	High	High	High	High
Risks to business locations and infrastructure from coastal change (R2)	High	High	High	High



UK Climate Change Risk Assessment (CCRA3) Evidence Report 2021 for Flood and Coastal Change

Norfolk and Suffolk have some of the fastest eroding coasts in Europe, with over 2,500 homes at direct risk of erosion. Thousands more properties and businesses will be indirectly affected by loss of property, infrastructure and utilities within the lifetime of the Shoreline Management Plans.

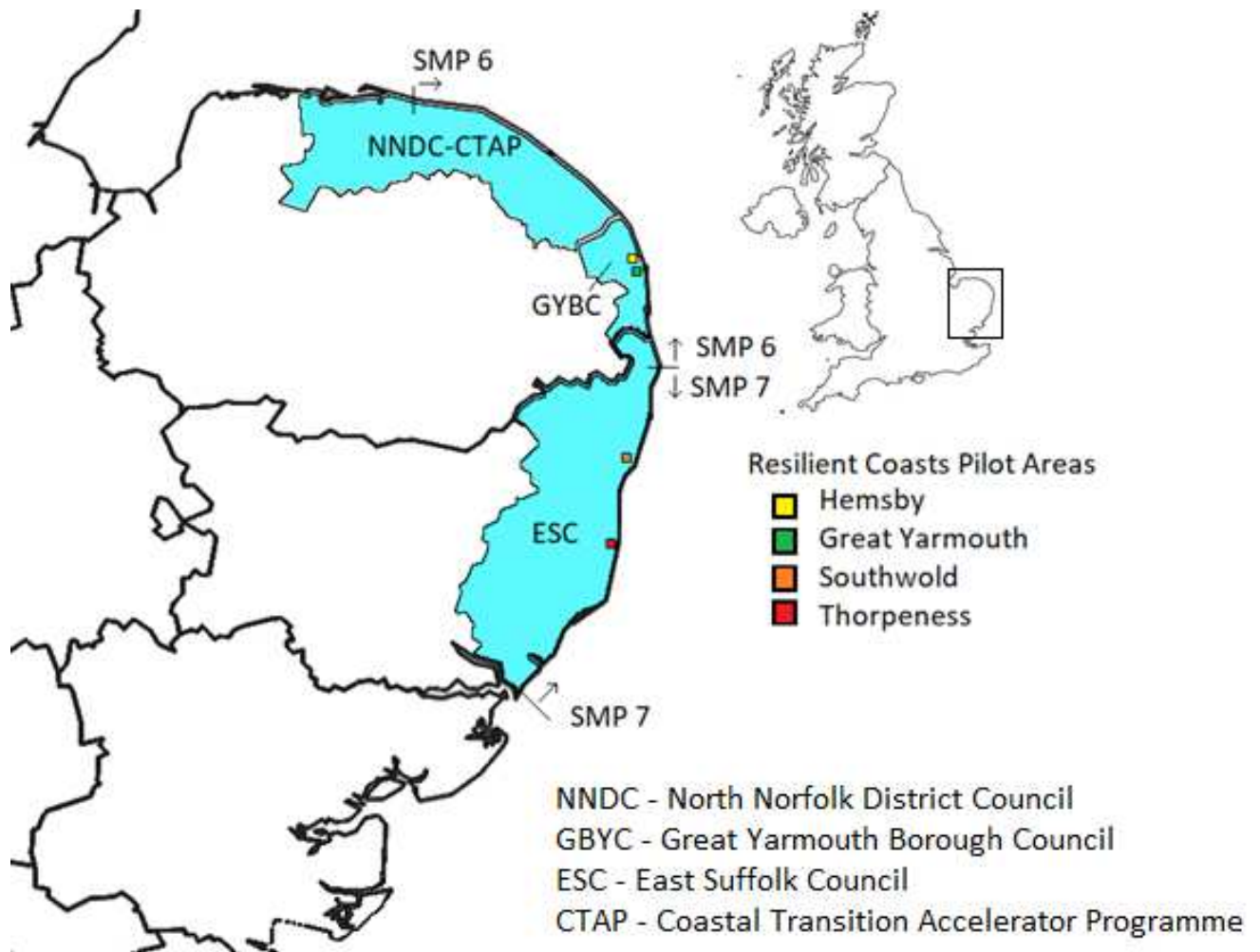
Recent national reports and enquiries have recommended that more is done to support coastal adaptation and resilience. The national policy framework for transitioning our coast is now in place.

The project partnership is led by East Suffolk Council with Great Yarmouth Borough Council and work will be delivered by Coastal Partnership East (CPE). CPE are a shared service of officers across these councils along with North Norfolk District Council. Already responding proactively to coastal change, the three councils cover most of the Norfolk and Suffolk coast, agreed to a partnership model in 2016 to address the jointly shared coastal management issues. The partnership enables resources to be managed more effectively and with a higher degree of efficiency resulting in more positive and sustainable outcomes for our communities in the long-term.

The project will implement an ambitious resilience programme for the Norfolk and Suffolk coast, along the East Suffolk Council and Great Yarmouth Borough Council frontages delivering real adaptation and resilience options for our communities.

The Resilient Coasts project will deliver a complete suite of planning, engagement, technical, financial and policy tools to support coastal transition for Norfolk and Suffolk communities, which could be applied to the rest of the UK coast.

The project places are with the Great Yarmouth Borough Council and East Suffolk Council areas, as outlined in the map below. As illustrated, the project will take into account the other projects and plans, such as the Shoreline Management Plans SMP 6 and 7.



**2.1.b How does this investment align with the national ambitions of the Programme and associated policies and plans?**

The following table outlines how the project investment aligns with the national ambitions of the FCRI Programme:

## OBC key aspects for the Resilience Innovation Programme

Aspect	Key review questions	OBC Case	PMO	Spatial Map	Adaptation Fund Scope	Behavioural Change	Investment Strategy	Community Masterplan	Policy Change	Costed Asset Plan
			WP0	WP1&2	WP3	WP4	WP5	WP6	WP7	WP8
1	Place-based resilience and investment	Strategic	-	-	-	✓	✓	✓	-	-
2	Community and partnership	Strategic	-	-	-	✓	✓	✓	-	-
3	Optimising the investment	Economic	✓	✓	-	-	✓	-	-	✓
4	Benefits framework, learning and innovation	Economic	✓	✓	✓	✓	✓	✓	-	-
5	Procuring outcomes	Commercial	✓	-	-	-	✓	✓	-	✓
6	Funding and finance	Financial	-	-	✓	-	✓	-	-	-
7	Governance	Management	✓	-	-	✓	✓	✓	✓	-
8	Managing innovation	Management	✓	-	✓	✓	✓	✓	-	-
9	Delivery route map	Management	✓	-	-	-	✓	✓	-	✓
10	Managing risk and uncertainty	Management	-	-	-	✓	✓	✓	-	✓
11	Monitoring, evaluation and dissemination	Management	✓	✓	✓	✓	✓	✓	✓	✓

### Alignment with national policies and plans

The Resilient Coast project aligns with, and in some case is delivering on behalf of, several national policies and plans which are summarised in Appendix X. Notably the project is delivering key actions from the governments FCERM strategy and associated action plan in relation to coastal adaptation and innovative funding and finance tools. The project will be trialling new government coastal management policy, notably for property rollback and relocation. The project also meets key recommendations set out by the CCRA (2021) sector briefing for the flood and coast sector in relation to advancing adaptation options and the need for broader community engagement about coastal change over the next five years. The Resilient Coasts project is also delivering actions within the Local Government Association 2022/23 Workplan under Coastal Adaptation and FCERM funding and policy.

#### 2.1c. How does this investment align with regional and local plans and ambitions?

The Resilient Coasts project aligns with, and in some case is delivering on behalf of, several regional and local policies and plans which are summarised in Appendix 2B.

The project is delivering a range of outcomes for the Local Authority partner plans and strategies which have coastal adaptation and resilience embedded in their Communities, Environment and Economic strategies. The project will also shape new planning policies including refreshing Coastal Supplementary planning Documents, Coastal Change Management Areas and informing the next round of Local plan reviews. the investment will support delivery of existing SMP policies and any subsequent need for policy reviews. The project also supports community and stakeholder

engagement ambitions on behalf of the Anglian RFCC who already support all 4 of our pilot project communities. Biodiversity net gain and natural capital opportunities will be explored and linked through to the Local Nature Recovery Framework and Biodiversity Action Plans. The project will also produce new policies, funding mechanisms and adaptation tools that will be deployed and tested at regional levels.

## 2.2a Environment and other considerations

Our whole coast is incredibly valuable to wildlife, highly prized for its wild landscape and geologically and geomorphologically important for its cliffs, shingle beaches and nesses, dune complexes and estuarine intertidal habitats.

Most of the coast is nationally and, or internationally designated as a Special Area of Conservation (SAC), Special Protection Area (SPA), Site of Special Scientific Interest (SSSI) and afforded significant legal protection as a result. In addition, a variety of additional planning and consenting needs are required as a result of these areas being within the Norfolk Broads National Park, Norfolk Coast AONB and the Suffolk Coast and Heaths AONB.

As coastal protection authorities (CPA's) we operate under the Coastal Protection Act (CPA, 1949). The Act sets out the roles and responsibilities of CPA's and gives us permissive powers to undertake certain coastal management activities. Outside of these powers CPA's are subject to the same environmental, planning and marine consents and licences as other developers through the lead planning authority and Marine Management Organisation respectively and subject to the same statutory and non-statutory consultations.

Our Shoreline Management Plans SMP 6 and 7 which cover the ESC and GYBC coastal and estuarine frontages and our East Inshore, East Offshore and South Inshore Marine Plans, have identified all the designated and special areas and potential implications of delivering these strategic plan policies along our coast. Our SMPs have been agreed with all the relevant statutory and non-statutory bodies associated with the natural and historic environment, notably Natural England (NE), and Heritage England (HE). We ensure that all our activities meet SMP policies, and we are following all the appropriate environmental regulation, consenting and permitting processes with our partners NE, HE, the lead local planning authority, the Marine Management Organisation, and Eastern Inshore Fisheries and Conservation Authority.

We appreciate the issues associated with coastal management within the constraints of heavily designated areas and have significant experience of working in this environment.

We will seek opportunities within the programme to enhance the environment, habitats and landscapes wherever possible. We will ensure we add value through new initiatives in order to understand how we can value the natural capital of our coast, enhance biodiversity and support local nature recovery where there are opportunities to do so.

### **What is the regional/local environmental context for this investment?**

Coastal Partnership East are responsible for 92km of the 173km of coastline in Norfolk and Suffolk, from Holkham in North Norfolk to Landguard Point in Felixstowe. There are approximately 352,000 people who live in the direct coastal zone and many more that work on and visit our coast. Over 2500 homes are at erosion risk (based on current NCERM data) with significantly more affected by

indirect coastal change impacts to critical infrastructure like water treatment works, coastal access roads and utilities.

The nature of the coast is varied with a range of undefended soft eroding cliff frontages, sand dunes, shingle ridges and largely sand and shingle beaches many of which are highly designated. In terms of the distribution of population the coast is largely rural interspersed with several smaller seaside towns like Thorpeness, Aldeburgh, Pakefield and Hemsby and a few large Victorian resorts and ports like Felixstowe, Lowestoft and Great Yarmouth. These communities vary greatly in their socio-economic demographic with pockets of high wealth often alongside areas of high deprivation.

The Resilient Coast Project will encompass two thirds of this frontage with the remaining North Norfolk District Council frontage taking forward further adaptation work in the Coastal Transition Accelerator Programme. See map in section 2.1a.

The Norfolk and Suffolk coast is of recreational, environmental, economic and cultural importance but it is also home to industry (energy, ports and logistics, digital, food and drink and creative sector) agriculture and tourism. In addition, there are many second and holiday homes situated in our coastal towns and villages.

As our coast is at high erosion risk it is one of the best places to trial innovative approaches and really test what is possible. The learning from this project will be timelier for other coastal locations who are not facing such significant coastal change at this time.

The Resilient Coasts project will develop and deliver a suite of adaptation and resilient tools that will bridge existing gaps and barriers to increasing the physical and societal resilience of our coastal places. This coastal adaptation toolkit can be applied to all coastal management frontages and at-risk communities in Norfolk, Suffolk and the UK.

## **2.2b What key environmental requirements will this investment need to meet?**

The programme will need to demonstrate increased resilience in our coastal environment. For the purposes of this project, we take this to mean:

- no significant environmental impact to our coast or heritage through our short-term or long-term activities
- compliance with existing SMP policies
- reduction in the use of carbon in all we do or mitigation to offset impacts
- reduction in the potential for property loss and damage to impact coastal environments
- innovation in engineering design to minimise environmental impacts
- robust evidence that can support any policy or legislative change requirements raised in the project.
- no disruption to the national coastal path and public rights of way
- reduction in health and safety risks to the public from coastal change



## 2.2c What are the key environmental opportunities related to this investment?

### **This project will create significant environmental opportunities including:**

- evidence of natural capital value of eroding cliffs for habitats, biodiversity, natural coastal defence value and public amenity which currently does not exist for eroding frontages.
- evidence for natural erosion management approach that is equivalent to the existing natural flood management delivery framework
- evidence for a biodiversity net gain framework that currently doesn't exist for the open coast
- evidence to support erosion risk as a nationally important risk to public health and wellbeing
- evidence to support any potential SMP policy review that improves resilience from an existing SMP policy position

These opportunities will support potential investment towards a resilient coastal environment that supports natural coastal management and creates sustainable coastal landscapes and habitats for wildlife and people.

These opportunities will also support delivery of SMP managed realignment and no active intervention policies and local plan policies notably to unlock the interdependence of the wider coast for sediment release and a balanced coastal system.

These opportunities could also link to regional habitat creation programmes and wider local nature recovery plans to create viable coastal environments that attract broader investment.

## 2.3 Objectives (programme and project)

The work delivered in the FCRIP proposal will enable our **coastal communities** in the Resilient Coast project area **to transition to a lower risk and climate-resilient future over the next 20 years.**

**The pilot communities businesses and environments will transition to become resilient to climate change and sea level rise by 2045 to do this we will co-create costed Community Adaptation/Resilience Masterplans to provide their adaptation route map by 2026/27**

**All our Coastal Communities** will have access to Adaptation Toolkit and Masterplan approaches that allow them to **plan for transition and create Sustainable Resilient Places by 2026/27.**

**We aim to identify the value of natural capital on our coast to support the naturalisation of SMP NAI frontages** along our pilots and twins **by 2045** and for remaining coastal communities in line with SMP policy.

We will have identified **infrastructure at risk including coastal management assets** in our pilots and twin locations, considered adaptive solutions and developed high level costed investment plans to **address/mitigate the risk by 2026** with asset owners.

We will have a new erosion risk database based on NCERM2 that is linked to flood risk mapping. This will link to a **new Resilient Coasts spatial map** identifying adaptation and resilience actions, including land availability and SMP policies. This will inform communities, partners and practitioners of the joint coastal risks and opportunities along our coast by 2025.

We will **raise community awareness** about detailed coastal change risk in all our pilots by 2024 and to the wider coastal communities through strategic engagement approaches to create climate – ready people and support climate ready places by 2027.

**All our work will be aligned with EA Strategy, Defra policy and SMP refresh** to support delivery of National and Local Coastal adaptation and resilience on our coast linked to wider local authority and community aspirations for society, economy and the environment.

**All our work will be aligned with our ESC and GYBC wider Local Authority plans and strategies** to deliver broader social, economic and environmental outcomes. We will inform the next review of the ESC and GYBC Local Plans by 2027. We will update the local coastal planning policy with new resilience and adaptation learning by 2024.

CPE will use the Resilient Coasts project to develop a legacy- a **30-year plan of adaptation and resilience actions to support transition to a more resilient coast by 2045 using the Coastal Adaptation Toolkit.**

To enable us to effectively measure improvements in resilience an initial baseline will be undertaken using the Zurich Flood Alliance approach and methodology. This is led and supported by the London School of Economics and although widely used internationally, was first piloted in the UK in Lowestoft.

The table below shows the objectives over the course of the project, the outputs and how this influences each stage of the establishment and improvement of place-based resilience levels.

Year(s)	Objective	Output
Years 1 & 2	Establish initial resilience level baseline: Workshops – community, businesses, partner and responder Surveys as above Collection and examining of flood risk/erosion risk data from existing sources.	Baseline resilience established. Action plans in place
Years 3 & 4	Action plan recommendations embedded into pilot area plans across all work packages.	Pilot area work package plans reflect resilience actions. Evaluation points in work package plans include progress against actions. Master plans demonstrably include resilience actions.

Year 5	Re-evaluation of resilience baseline. Workshops – community, businesses, partner and responder Surveys as above	Current resilience level established. Further actions and recommendations identified. Action plans updated
Year 6	Embed further actions and recommendations into Master Plan progress in pilot areas. Map across learning and outputs to twin project areas.	Clear directional actions have shaped the pilot area Masterplans and an improvement in level of resilience can be demonstrated based upon a firm initial baseline.  Clear directional actions will shape twin area Master Plans and a baselining of resilience, where this doesn't exist, will be established to ensure future progression to a position of evidence-based improved resilience.

**What are the objectives of the investment?**

## Aims & Objectives



**Taking a Place-based Approach across different archetypes to get the widest range of examples and tools across CPE frontage**



**The overarching programme outcome is to create a resilient coast in Norfolk and Suffolk.**

**We will do this by:**

- engaging with our communities to ensure they have the information they need to understand erosion and tidal flood risk and have the support to co-create community infrastructure resilience solutions, which reduces risk based on innovative data analysis and the use of virtual tools
- creating emergency and incident response plans to better prepare communities and businesses for the risks they face
- seeking to minimise damage and disruption to local businesses by developing and promoting economic options that allow our coastal economy to thrive and build on the opportunities the coast provides
- creating new tools for monitoring and managing our local coastal defence and infrastructure and utilities assets with partners and seeking opportunities for integrated investment to deliver resilience
- delivering options that support naturally functioning coastal areas that provide sediments to the wider coastal system and naturalise defended areas through new asset management planning and monitoring
- investigating areas for improvements to policy and practice, notably innovative funding and finance and behavioural change to better support the resilience actions, we need to undertake to deliver a more resilient Norfolk and Suffolk coast

CPE will deliver our initial outcomes for our four pilots in the Resilient Coasts project but also seek to draw in additional funding to deliver to more locations if possible.

**Programme overarching outputs and outcomes:**

- we will deliver a Coastal Adaptation Toolkit that includes planning, development, asset management, monitoring, funding and finance, engagement and behavioural change tools
- the core innovative resilience elements of which are a co-created Community Adaptation Masterplan supported by an Innovative Adaptation Funding Mechanism, a Behavioural Change Toolkit, Costed Asset Management Plan and an Infrastructure Investment Plan
- the toolkit will also include coastal management planning and development policies and evidence-based GIS risk mapping to underpin decision-making. These are detailed further in Section C

**Are the objectives SMART (specific, measurable, achievable, realistic and time bound)?**

All elements of the programme will have agreed SMART objectives and are set out in section 2.3. This will ensure that a measurable reduction in social, environmental and physical risks will be delivered in all pilot locations.

## Summary project description and mix of actions

The project will gather new evidence and test new approaches to create an adaptation toolkit that can be used by communities and coastal practitioners to support resilient coastal change. The project will deliver Climate Ready people, places and policy through a series of work packages and themes working to ensure integration across themes. All activities will be co-created with relevant communities and partners to ensure the project delivers a robust approach that can be tailored for any coastal location locally or nationally. The project takes a “business as usual economic baseline and we will demonstrate benefits from learning, damages avoided and value potential to ensure there is an uplift in the resilience of coast and its communities over the course of 2021-2027. We also aim to have a long-term plan to 2045 to ensure we have adaptation and resilience embedded in the delivery of all our coastal, terrestrial and marine management activities.

The project aims to achieve the following outputs and outcomes:

- **GIS Coastal Zone Erosion Risk Map and Spatial Plan** that informs planning and development decisions and includes new erosion and flood risk data, SMP policies, location of property and infrastructure, social and economic information, planning policies, land available for relocation and roll back and nature-based solutions. It will form the basis of future decision making supporting more integrated local community and central and local government policy ambitions.
- **Engagement toolkit** that builds upon current good practice and new approaches to support our coastal communities transitioning towards greater local and strategic understanding of resilience and adaptation to coastal change. The toolkit will be for communities and practitioners to co-create solutions over different timescales from imminent erosion risk to longer term change and include visualisations and virtual tools to support how our coast may change and how we can respond.
- **Adaptation Funding Mechanism** will bring together new innovative funding and finance approaches to support resilience and adaptation measures for communities, businesses, nature and individuals facing coastal change. The tools will include different options for at-risk communities depending of the level of risk and time available to implement options. Through identification of broader benefits (including natural capital evaluation) and beneficiaries mapping it will include new funding sources to create a sustainable fund to implement coastal resilience.
- **Integrated Infrastructure Investment Plan** will draw together 3<sup>rd</sup> party information about investment plans for infrastructure, assets and utilities that are in the coastal zone and support coastal communities and economies. The IIP will encourage 3<sup>rd</sup> parties to consider their resilience response to coastal change and aim to align investment across different sectors to co-invest in resilience measures and deliver wider outcomes.
- **Costed Asset Management Plan** will include the costs of implementing a range of coastal asset management approaches that support coastal resilience. The Plan will include the costs of decommissioning existing assets that need to be removed to support SMP policy as well as identify where asset removal will be needed and when. In addition, the plan will also include costs for innovative technical solutions that offer short term erosion protection or include broader environmental and social benefits that could attract alternative funding and support wider outcomes. The plan will support coastal management funding discussions with existing central government funds alongside new funding routes.

All the above outputs will support co-created community discussions for each coastal place. The communities and practitioners will have access to the tools above and be supported to create the following:

**Community Adaptation Masterplan** which will encompass the options and opportunities available in any specific coastal location based on the communities needs and the offer of their place. The Masterplan will be the local resilience route map in each place that sets out the technical solutions, planning and development needs, engagement requirements and funding availability based on the risk data and SMP policy. Our pilots will all have a Masterplan in place and be delivering outcomes by the end of the FCRIP programme in 2027.

All the above deliverables will form a new **Resilient Coasts Adaptation Toolkit** which will be shared locally and nationally through so that lessons learnt can be applied around the UK coast well before the programme ends. We aim to deploy and share adaptation tools as they are created.

Finally, we will also identify any potential policy and legislative challenges and opportunities throughout the project. It is hoped that Resilient Coast will offer the evidence to inform more streamlined routes for adaptation and resilience delivery post-FCRIP.

### **How do the mix of actions work together to maximise resilience?**

The following resilience actions will be addressed by the project:

- **Joint community and voluntary sector** action to improve preparation and recovery – we will embed innovative measures that engage communities and the voluntary sector in collaborative decision making, so that they are empowered to manage the risk of flood and coastal change. This joint approach will enable communities to better prepare for and manage the risks they face
- **Nature based solutions** – we will implement nature-based solutions which increase resilience to coastal flooding and coastal erosion and mitigate the impacts of climate change
- **Community infrastructure resilience** – we will undertake activities which improve the resilience of existing public or community owned infrastructure to flooding and coastal change
- **Monitoring and management of local assets** - we will create new innovative monitoring approaches and asset management systems to better understand coastal erosion risk, in order to create resilient asset management plans for the decommissioning of defences at no active intervention frontages
- **Minimise damages and disruption to small and medium sized businesses** - we will work with small and medium sized businesses to identify resilience actions which could minimise disruption and damage to businesses from flooding and coastal change
- **Investigate policy challenge areas** – we will continue to investigate and conduct a thorough local assessment of selected policy challenge areas. In particular, we aim to create innovative funding and finance mechanisms from the public and private sector to support coastal adaptation in Norfolk and Suffolk. We also aim to build resilience into major new developments in areas with flood risks, for example, in Great Yarmouth, and consider sustainable planning and development in Coastal Change Management Areas through new planning, development and building control policies

## 2.4a What new evidence will be established to support a broader range of future FCERM actions?

- We will translate national and SMP policy into reality in order to prepare the coast for a climate change resilient future. The programme will evidence the value of better information, based on local knowledge and reduce uncertainty. This is particularly important for businesses, who need greater certainty to invest in coastal resilience and adaptation projects. It will also provide confidence to those looking to invest in adaptive coastal properties or in affected communities more broadly.
- We will deliver large scale community engagement to enable behavioural change in relation to climate change and coastal risk. The programme will develop evidence around the social benefits gained from coastal adaptation. This includes testing new techniques, such as the Behavioural Change Toolkit, which aims to generate community co-creation and buy-in, and significantly improve engagement, whilst developing a sense of community in a changing place.

The toolkit will be delivered by working in close partnership with a diverse range of community members. This will help address future challenges and empower communities to consider the full range of benefits that coastal adaptation can enable, while providing organisations and agencies to understand the rationale and origin for negative opinions and behaviours. This community-led approach can also generate lower costs and better value for money by delivering more sustainable and acceptable solutions at community level, as opposed to only focussing on those at short-term risk.

- The programme will deliver solutions that allow families and businesses to move out of at-risk areas sooner by reducing financial and social barriers that prevent them from adapting. The result will be a reduction in cost to the public as the number of people, homes and buildings that are displaced, destroyed or demolished through erosion and flood will be minimised.
- We will work directly with those most affected by risk to agree practical solutions. The programme aims to reduce the stress and uncertainty faced by those (in particular) with limited options by empowering communities with the knowledge to help themselves and their wider community. This in turn will help other stakeholders to understand the rationale and origin of negative mindsets and behaviours and lead to cost savings through reduced (resource) costs of dealing with multiple issues, concerns and complaints. The programme will also draw on evidence from studies carried out during the COVID-19 pandemic that analyse the costs resulting from the loss of access to key community and social networks, as well as facilities.
- We will investigate and prepare financial tools to create an adaptation or transition fund to finance short-term and long-term coastal actions. The programme will pilot the options being developed by the Coastal Loss Innovative Funding & Finance (CLIFF) project which tests financial products created to facilitate coastal adaption in communities at risk, at the household level. This project has been developed by taking a detailed cost and benefits approach, based on the financial viability of the products, which will be tested and evidenced as part of the Resilient Coasts Project. **We will be progressing the recommendations of the CLIFF report within the Resilient Coasts Project, with a steer from EA National and DEFRA colleagues. (+ CLIFF REPORT NEEDS TO BE APPENDED HERE)**
- We will work with communities, businesses, planners, infrastructure owners and developers to co-create long-term flexible transition masterplans and actions. The programme will evidence better, broader data on the costs and benefits of coastal change that will facilitate improved planning by reducing uncertainty. This will enable the delivery of long-term plans with broad benefits by encompassing different land uses. By avoiding issues such as coastal blight that can potentially impact the value and saleability of coastal property, this will maximise the value of land, allowing different uses and supporting communities for longer. This is compared to short-term solutions that

benefit a smaller number of at-risk properties or avoid damages at the expense of delivering more sustainable and broader long-term benefits.

- We will gather a full and publicly accessible baseline understanding of our coast, what and who is at risk and when. By developing a strong, proven evidence base, better information will be made available for decision-making at all levels (local authority, community, business, individuals), reducing uncertainty and so helping to manage short-term thinking and community concern. This will enable more informed decisions around costs versus long-term benefits of coastal adaptation and lower the risk of making wrong decisions based on a narrow range of benefits.
- We will plan and adopt long-term decommissioning plans for coast protection assets to enable naturalisation of the coast. The programme will develop the evidence around the value and benefits of a natural coast based on the real-world benefits delivered. An example is the benefit of natural, larger beaches as opposed to narrow beaches in front of hard defences. The aim is also to test how these approaches are likely to reduce cost elsewhere along the coast, based on the release of sediment and reduction of pressure in other locations (depending on the robustness of data).
- We will develop practical evaluation tools to measure improvements in resilience and adaptation. The programme will develop a stronger evidence base to understand the benefits delivered by the coastal adaptation that will be delivered across social clusters (for example, benefits to individuals, families, local communities, and wider society) alongside the commercial and economic benefits for the public and private sectors. This framework will enable policy makers and other decision makers to make better informed judgements on the rationale for opting for coastal transition versus traditional short-term engineered solutions.

### **How will the project support an increasing uptake and delivery of future FCERM actions?**

By delivering the Resilient Coasts project we will be able to share learning locally and nationally on the different approaches available to support resilience and adaptive coastal change. The toolkit will be available for all to use and this will give the framework for national coastal approaches outlined in the government's FCERM Strategy (2020) and address many of the recommendations of the CCCRA (2021) risk review briefing for the flood and coast sector. By testing out new approaches on one of the most challenging eroding coasts in the UK across a range of coastal pilot archetypes we aim to have a breadth of learning and tools to cover most coastal adaptation requirements.

Finally, by both raising community awareness about coastal change strategically alongside the establishment of strategic funding mechanisms we aim to create a sustainable legacy from the Resilient Coasts project that will sustain coastal adaptation and resilience in our area that can be replicated elsewhere.

## **2.5 Key innovation learning and main benefits**

### **2.5a Summary description of the key innovation learning and investment benefits.**

The learning outcomes are detailed further in section 3.6. In summary the main learning outcomes are across 5 themes as follows:

**Learning on cost-** Better understanding of costs of activities and by identifying those activities that are most efficient we have estimated a 20% saving through identifying what works well.

**Learning on benefits-** Better understanding of benefits of activities by identifying those that are most effective we have estimated 125% increased benefits through identifying what works well.

**Learning on management and governance at project level-** Learning on how to better engage and collaborate with infrastructure owners demonstrates reduced costs through joint working and shared programmes and delivery of multiple objectives. This also reduces impacts and damages to communities, business and environment.

**Learning on skills and tools-** Skills developed in local communities on co-designed activities will be useful for adaptation to future risks and working with authorities. This leads to better understanding of how to roll-out the most effective activities for the most efficient costs and development of tools that can enable roll-out to cover adaptation pressures post-project. Also, the development of functioning funding mechanism to enable roll-back means that both these outcomes will develop tools that can be used by others creating efficiencies and costs savings on future FDGIA and other investment.

**Learning on management and governance at strategic level-** Knowledge of how funding mechanisms could be developed to help encourage adaptation to other risks. Bringing together all the learning outcomes to provide a suite of outputs that can be used by others to work with communities at risk, with worked examples from the case studies to follow

#### **2.5b What are the expected main benefits of the investment?**

- Our Resilient Coasts project pilots will all benefit from a co-created community masterplan that sets out the route-map for adaptation in that place. All four pilots will have the relevant financial, planning, engagement and technical information that they need through a series of supporting tools shown in the diagram below:



**Figure 1.3.1 The key outputs of the Resilient Coasts project**

**Strategic benefits:**

We will deliver a Coastal Adaptation Toolkit that includes planning, development, asset management, monitoring, funding and finance, engagement and behavioural change tools.

The core innovative resilience elements are a co-created Community Adaptation Masterplan supported by an Innovative Adaptation Funding Mechanism, a Behavioural Change Toolkit and an Infrastructure Investment Plan.

The toolkit will also include coastal management planning and development policies and evidence-based GIS risk mapping to underpin decision-making. These are detailed further in Section C.

At each location there will be specific benefits local to that place. As we aim to co-create the plans with the pilot communities and partners we are not able to detail all the local benefits now. Examples of local benefits to our four pilot locations are summarised in appendix 2D.

**2.5c Wider benefits**

- We believe that with central government investment through the FCRIP programme, we could start a mechanism to raise funds for adaptive solutions. There will be better use of RMA resources through a move from reactive measures towards planned solutions.
- Other elements where we can demonstrate added value, include the opportunity to work with national infrastructure projects and other developers. Enabling us to draw developer contributions

into planned community adaptation approaches, building climate resilient homes away from risk or creating new economic opportunities for businesses.

- All our work will be shared nationally through the Local Government Association Coastal Special Interest Group, Coastal Networks, Defra and the Environment Agency so that lessons learnt can be applied around the UK coast well before the programme ends. We will be able to deploy and share adaptation tools as they are created.

Some of the headline wider benefits of the project include:





## Strategic risks and learning from past projects

We have undertaken a full strategic risk assessment of our project up to 2027 across all themes and work packages using the PESTLE method. We reinforced this methodology by holding a workshop with our partners to help shape the PESTLE and assess risk. Programme risks are scored using an IOSHH recommended risk calculation method. The key risk up to 2027 from each PESTLE category is summarised on the table below.



Category	Risk Description	Potential Impact / Consequences	Mitigation
Political	Changes to Government and Priorities - Local	Engagement of new politicians could cause delays and increased costs.  Other local issues could compete for priority resulting in lack of support causing delays, lack of funding and increased costs.	Use CPE Board members and Senior Leadership teams to maintain political support and focus.  Maintain close relationship With National Agencies/Government Departments  Co-develop LA priorities for climate change / adaptation Levelling Up to embed project in wider LA agendas.
Economic	National economic event/crisis.	Increase in project costs could reduce benefit/cost ratio. Could lead to some undeliverable elements of the project.	Maintain a flexible approach to project elements. Ensure core activities are identified and delivered and additional added value deliverables can be flexed. Regular review points to consider project deliverables and agree with Board. Attract additional funding through good communication and engagement over the <u>project</u> .
Social	Major incident/weather events  Unrealistic Expectations	Staff burnout/sickness leads to project delays and potential loss of funding. Other business activities may be affected due to staff being diverted to IRF programmes  Communities expect that the FCRIP funds will be used to 'defend' them	Becoming More Proactive with Resources. FCRIP funding helps us to recruit additional resource to 'protect' programme delivery from incident response role. Developing tools / frameworks to minimise the need for reactive responses New ideas from new staff and our partners - knowledge sharing / innovation and broadening of capacity in/outside team.  Through good engagement with existing pilot <u>communities</u> we have a Strategic Community Stakeholder group that can engage others on the projects behalf and demonstrate adaptive approaches work. We have demonstrable experience in managing challenging conversations and social media.

Category	Risk Description	Potential Impact / Consequences	Mitigation
Technical	Skills Gaps - Due to the significant projects in the area including Sizewell C, windfarms and other NSIP projects there is a huge demand on local resources and suppliers.	Lack of availability of suppliers and partners would impact the programme, costs and internal resource demands.	Technological Development and link to possible research funding New relationships and partners developed Early engagement with students and apprentices to get them involved in the project. Strategic pay and benefits discussions with LGA
Environmental	Limited Stakeholder Resources to provide <u>advise</u> and progress applications (including licences and consents)	Additional staff demands Delays to programme Increase to costs Stakeholders unable to review project information due to staffing/expertise limitations Perceived bias if we support stakeholders financially to participate.	Talk to stakeholders early in programme/design to reduce timelines/costs/etc Understand stakeholder challenges so we can better support them. Working with stakeholders (DEFRA) to put the right expertise in place so that tasks can be completed in a timely manner. Working with others to procure extra funding for the right people with the right skill sets.
Environmental	<u>Designations</u> constraints adaptation options	Proposed project activities unable to take place causing reputational damage, delays and increased costs.	We will evaluate the environmental benefits of allowing coastal change and adaptation solutions to determine how we work with designated areas and whether we can establish NEM mechanisms to attract funds and benefit both the environment and those at risk in MR/NAI areas.

Beyond 2027, based on our experience of previous Pathfinder programmes and similar initiatives, we have identified the risks and how our programme will mitigate those and ensure a positive legacy for the funding we have, enabling a more resilient coast for all. The summary of these are in Management Case (section 6).

The pilot areas have been selected as they have already begun their adaptation journey and are willing to work on resilience and adaptation measures.

### Constraints and dependencies

The project has a number of dependencies and constraints. The following table summarises these at a headline level, plus makes the links between them.

<b>Dependencies</b>	<b>Constraints</b>
<b>Political support (national and local)</b>	Competing Government priorities.
<b>Willing communities and stakeholders</b>	Time taken to engage other stakeholders outside of communities.
<b>Availability of funding</b>	Timing and deadlines alongside synchronisation of deliverables, need for critical mass for finance mechanisms.
<b>A strong Planning and permissions &amp; consents framework</b>	Local Authority local plan review process (SPD and CCMA review process).
<b>Erosion risk data (NCERM2)</b>	Timing of NCERM 2 is mid-programme, impacting availability of useful data.
<b>Wider economic data</b>	Time and resource requirements plus availability of data.
<b>Infrastructure asset data</b>	Commercial and security sensitivities from sharing third party data.
<b>Natural assets data</b>	Limited baseline information on coastal assets and agreement on evaluation methodology
<b>Supportive policy and strategy framework</b>	Current policies do not work or new project recommendations are not adopted.
<b>Appropriate SMP policies</b>	Public and political acceptance of change.
<b>Technical design innovation</b>	Capability of the sector and few appropriate solutions currently available.
<b>Resource, skills and capacity of project team</b>	Recruitment, public salaries and competing initiatives (e.g. Sizewell C).
<b>Resource, skills and capacity of communities</b>	Reliance on the resource of volunteer time within communities.
<b>Potential EIA, MMO and other permissions and consents.</b>	Aligning the consenting processes and time constraints with the project's programme.

### 2.7.b External project dependencies

The project is closely linked to several strategic local projects. The dependencies and constraints are summarised in the table below.

Dependencies	Constraints
Linkages to CTAP- significant opportunities to share learning and ensure wider programme of adaptation initiatives are considered and delivered.	Working to other organisations’ timescales. resource needed to integrate work programmes and avoid duplication.
Delivery of EA-led Great Yarmouth Food risk strategy	Timing of Resilient coast project needs to be flexible to be synchronised with the EA project.
Linkages to Broadland Futures Initiative in GYBC pilot to embed longer term tidal flood resilience and adaptaion options	Working to other organisations’ timescales and resourcing relationship management. resource needed to integrate with BFI’s broader programme of work.

### Stakeholder engagement

The project team have worked closely with the coastal pilot communities and several twin locations for many years due to the imminent coastal risks in these locations. The communities are willing to co-create adaptation and resilience approaches and support the proposals we have included in the OBC.

The wider partners have been directly involved in shaping the proposal through a series of project workshops including the readiness assessment, strategic risk assessment and individual work package discussions on innovation, costs, procurement and deliverables. we also benefit from several experienced professionals, academics and specialists who are offering their support to the project development and delivery and many of these will also be available to offer independent advice to the pilot and twin communities and strategic Community Stakeholder Group they will be part of.

We have also engaged with wider Coastal Protection Authorities through the Coastal Group Network and Local Government Association Coastal Special Interest Group (LGACSIG)(notably the Adaptation Working Group) to ensure we are embedding wider learning opportunities into the Resilient Coasts project.

Going forward we have a governance structure that allows for regular community, stakeholder and partner involvement. The approach we plan to take will include regularly sharing monitoring outputs with the Community Stakeholder Group at agreed points in the programme. The data and their feedback will be used to make decisions on the best ways to adapt in that location. The monitoring of community engagement and the impacts of change will be evaluated using the recommended GCN model. This evaluation will be conducted at appropriate points, ensuring there is the opportunity to review, reflect and refresh throughout the programme. Insert the governance structure reference

The diagram below summarises the linkages between the pilots, strategic theme working and the FCRIIP programme and wider national initiatives. We have committed to share learning and seek feedback as the project progresses through a range of stakeholder and partner fora and these are detailed further in appendix 2A



We will develop Full Business Cases for elements of the project as the Resilient Coast project progresses with full input from the relevant groups

## 2.8a Governance

### Governance



## 2.8b How has stakeholder participation and engagement influenced and shaped the investment proposals?

The investment we have proposed is based on our shared coastal management experience and that of our coastal communities and partners. It is based on needs that have been identified through 'live' project working, recent erosion and flood risk events and lessons learnt from previous Pathfinder or similar programmes. We have also engaged with national partners and coastal practitioners around the UK to ensure we have a full understanding of what approaches to adaptation and resilience already exist and the coast and what we can build on in Resilient Coasts.

We have considered our pilot locations carefully and chose to select more than one 'place' for this project. This is because no one coastal place would give us the breadth of learning we need. Through discussion we now have a good range of different coastal 'archetypes'. We have aimed to have examples of defended and undefended frontages in both erosion and flood risk zones and in rural and urban locations with communities that are already engaged in adaptation discussions.

The investment proposals aim to ensure we deliver improved resilience on the ground at each coastal place that is based on our shared community and practitioner learning to date. This is then balanced alongside strategic tools that will provide a legacy for future coastal management based on our shared understanding with other coastal practitioners and national colleagues.

Since our original submission we have shaped our investment through a series of discussions which have optimised our proposal. There is more detail of this in section 3.4. The highlights are:

The development of a 'business as usual' (BAU) Baseline with Risk and Policy Analysts that allows us to inform the wider project baseline for monitoring and evaluation purposes but also establishes the cost benefit ratio of resilient Coasts at 1.7 and identifies the likely learning benefits we will realise. This informs our investment priorities going forward.

Discussion with National EA team regarding the use of the National Coastal Erosion Risk mapping approach. in 2023/24 has reduced the need for bespoke risk mapping and associated costs. we have also changed our project boundaries and pilots to reflect the additional investment that will be available through the new Coastal Transition Accelerator Programme in North Norfolk.

Anglian Water regarding the use of their Behavioural Change toolkit and associated costs have reduced as the tool required less adaptation for coastal use than previously thought

Through the community at Thorpeness we now have a better understanding of the need for and costs of rock options to support short term change that have led to increased costs for the engineering design elements of the project to support greater innovation in the engineering sector.

The LGACSIG we have evidence that natural capital and biodiversity net gain on the open coast needs developing in terms of evidence and evaluation and so we have expanded this to deliver greater national learning benefits to other CPA's and inform the EA FCERM Action Plan.

The EA Area and GYBCouncil officers' team regarding the GYBC Tidal defence scheme timings and the best ways the Resilient Coast Project can support this initiative to maximise resilience outputs and wider benefits- notably around resilient landscape architecture and public realm design.

**Knowledge-sharing and decision-making:**

- The coastal and resilience monitoring outputs will be regularly shared with the Community Stakeholder Group at agreed points in the programme. The data and their feedback will be used to make decisions on the best ways to adapt in that location.
- The monitoring of community engagement and the impacts of change will be evaluated using the recommended GCN model. This evaluation will be conducted at appropriate points, ensuring there is the opportunity to review, reflect and refresh throughout the programme.
- The management team has over 80 years combined coastal management experience across innovative funding and finance, planning, engagement and behavioural change and engineering and coastal monitoring. Board members and a senior team will also support the programme. Officers will also be positioned to apply the lessons and recommendations from the Lowestoft Zurich Resilience Measurement and Business Emergency Resilience Tool.

## Monitoring and evaluation framework, and dissemination

**2.9.a How will learning be monitored and evaluated?**

Taking the economic case learning benefits we will monitor and evaluate across 4 categories; learning on costs, learning on benefits, and learning on the governance and management of the project at both local and strategic levels. the approach to monitoring for these 4 themes is summarise below. more detail on our monitoring and evaluation approaches are given in section 6.

Ref	Learning benefits category	Description	Monitoring approach	Indicator
1.1	Learning on cost	Better understanding of costs of activities and those that are most efficient	Financial monitoring of costs with analysis against the BAU costs. use of financial efficiencies tools to demonstrate savings or added value	Efficiencies are made Value is added
1.2	Learning on benefits	Better understanding of benefits of activities and those that are most effective	Community and business resilience baseline assessment at start and repeat surveys in the later programme Pilot level and strategic benefits realisation monitoring to ensure benefits are mapped. quarterly review to establish those that are effective. Use of social value portal to establish benefits quarterly	Increased resilience across our pilot communities and businesses.  Social value is delivered Natural capital is valued
1.3	Learning on management and governance (project level)	Learning on how to better engage and collaborate with communities, businesses and infrastructure owners		



1.4	Learning on skills, tools (methods and mechanisms) and capacity needed to implement actions and combinations of actions	<p>Better understanding of how to roll-out the most effective activities for the most efficient costs and development of tools that can enable roll-out to cover adaptation pressures post the project</p> <p>Skills developed in local communities on co-design activities that will be useful for adaptation to future risks and working with authorities</p>	<p>Learning log that is used by community and project team to ensure we capture key lessons as the project progresses. lessons reported and shared.</p> <p>Initial assessments across all 8 work packages to establish baseline and establish monitoring approaches accordingly with key review and reporting points</p> <p>Time recording and skills and developments reviews to assess impact of resources and capacity needed quarterly across community and practitioners</p> <p>Assessment of in-combination effects of tools and techniques</p>	<p>Lessons learnt report is shared.</p> <p>Work package assessments demonstrate learning improvements</p> <p>Time and motion reports</p>
1.5	Learning on management and governance (wider lessons learned)	<p>Development of functioning funding mechanism to enable roll-back</p> <p>Knowledge of how funding mechanisms could be developed to help encourage adaptation to other risks</p>	<p>Comparison of the BAU baseline for current funding availability and sources</p>	<p>We will have new funding sources compared to current baseline.</p> <p>We will have an self-financing Adaptation fund that is accessible to those who meet the criteria.</p>

To summarise, our approach we will undertake a range of monitoring approaches to financial and project management as well as ensure we are monitoring improvements in coastal resilience for people and their place.

**Evaluation**

- 1 Agreed measures will be in place for all monitoring approaches and tangible deliverables. The resilience and adaptation approaches developed will be applicable to the wider coastal community archetypes through the programme twin locations.
- 2 All elements of the programme will have agreed SMART objectives. This will ensure that a measurable reduction in social, environmental and physical risks will be delivered in all pilot locations.
- 3 The monitoring of community engagement and the impacts of change will be evaluated using the recommended GCN model. This evaluation will be conducted at appropriate points, ensuring there is the opportunity to review, reflect and refresh throughout the programme.

### **2.9b How will dissemination be achieved during and post project?**

- A third-party project assurance role will be embedded in the programme team to ensure all lessons and outputs are captured and dissemination documents are developed. This will allow for lessons to be shared, mitigated against and built upon throughout the project through review and feedback loops.
- Outputs and lessons will also be disseminated through the technical and steering groups.
- Recommendations on national policy and the process 'red tape challenges' will be disseminated through the steering group and Local Government Association Coastal Special Interest Group, notably the Adaptation Working Group, which also links to the National Coastal Network Group.
- The technical and coastal monitoring data produced will be disseminated through the Anglian Monitoring Programme, Environment Agency National Coastal Erosion Risk Mapping and SMP refreshes and feedback incorporated.
- Recommendations for reducing risk and improving resilience will be developed and shared with community pilots and twins through both traditional routes (meetings, newsletters, workshops, digital and social media platforms) and innovative tools (such as virtual reality tools), which in turn will be used to disseminate options more widely to other coastal locations.
- The RFCC and relevant national policy and practice groups will be kept updated.
- Outputs will be shared with wider partner networks – such as CIWEM, ICE, CEFAS and other RMA networks.
- Coastal local authority colleagues in wider service areas (such as planning, communities and economic development teams) will be engaged throughout the programme, with internal dissemination routes established through active working approaches.

### 3. Economic case and benefits framework

#### Description of the business as usual baseline

Business as Usual (BAU) is a continuation of the current reactive approach to erosion risk management. The current approach is summarised as Figure A1-1 in the economic appendix. For erosion, BAU is expected to result in costs of £8.9 million and damages of £7.4 million. The approach to estimating the value at-risk damages is set out in Section 2.6.2. An appraisal period of 100 years is used and the damages are based on four case study erosion locations. For flooding, the damages are based on a 50 year appraisal period and look at the damages from flood risk increasing from 1% Annual Exceedance Probability (AEP) to 2% in Year 50 for 5,000 properties. A further 12,000 properties also at flood risk are projected to see an increase from 0.5% to 1% by Year 50. The total flooding damages are estimated at £36 million.

3.2 - Table 1: Summary of impacts under the BAU baseline

Scenario	PVc £k	PVb £k	BCR
Business as usual baseline	£8,912,032 (addressing erosion in reactive manner) £0 (no costs incurred in addressing flood risk)	-£7,399,031 (damages from erosion) -£36,069,487 (damages from flooding)	N/a

The erosion costs are based on continuation of a reactive approach where action is only taken when there are properties at imminent risk of erosion. This reflects the constraints on local authority budgets and resources and the lack of an obvious funding route for any proactive approaches. Once there are properties at imminent risk of erosion, the local authority undertakes engagement with the community and identifies whether there is the potential to make a case for emergency interventions that could reduce erosion and so reduce the imminent threat to the properties. Where there is the potential to make case, then an economic appraisal is undertaken and the community is invited to help with fundraising to cover any shortfall in Grant-in-Aid. This is only feasible where there is sufficient time to raise the funds required and where the community has the potential means to raise the level of funds necessary.

Where there is no option for emergency intervention, due to properties needing to be demolished or because an economic case is not going to be viable (benefits will not outweigh costs), then the local authority works with the affected individuals to help them through the demolition process. This involves further costs for the local authority from additional engagement, but also requires input from building control and, where the households affected do not have access to alternative accommodation, the housing department as well. Demolition costs for individual property owners are assumed to be covered by a grant. No action is taken to improve the frontage so there are impacts on the remaining community from a loss of individuals, change in the community and no improvement in the local environment. Erosion damages occur at the time of demolition where properties are not replaced through rollback.

Rollback is possible using existing policies, but the time to plan is short (or non-existent) so rollback is a limited option since there is no allocated land on which to rollback to and no funds to help those unable to purchase land and build a replacement property. However, some people are assumed to be able to fund rollback themselves. An assumption is made based on the mid-point of the decile on index of multiple deprivation (IMD). For example, if the community lies in the 5<sup>th</sup> most deprived decile

(40%-50%) then it is assumed that 45% of the households would be able to afford to rollback. Erosion damages occur in the year of demolition but are then negated by construction of a replacement property two years after demolition (this assumption allows sufficient time for identification of a rollback site and construction of the replacement property).

For those communities where emergency intervention was possible, it is assumed that rock armour is used. Although a more expensive option, short-term solutions have been found to cause health & safety risks and plastic pollution. The damages from these solutions are considered to make them unsuitable so rock armour is the only viable option. Once the rock armour is in place, this then buys time for the community to adapt. However, with no adaptation fund and no allocated land for rollback, the amount of people that can make use of the existing rollback policies is again limited to just those who are able to fund it themselves. As with demolition, this is limited to the mid-point of the decile of IMD, meaning the opportunities from the time bought by rock armour has been lost. Once the life of the rock armour is exceeded (assumed 25 years), the community moves to demolition as a further case for protection cannot be made. Demolition costs are incurred (although these are covered by a grant for property owners) and erosion damages occur (only partially offset).

### 3.3 Summary description of the investment proposal

The Resilient Coasts project will move to a proactive approach to management of the coast. The project costs occur over the first six years and are estimated at £9.1 million (including risk contingency and optimism bias. Of this 75% of the costs (£6.8 million) are tailored to the erosion aspects of the projects and the remaining 25% (£2.3 million) to the flooding aspects. The costs associated with the erosion aspects are lower than those incurred under BAU due to the more proactive work undertaken over the six years to prepare communities for rollback through the eight work packages. Thus, the Resilient Coasts project offers a potential cost saving compared with a reactive BAU approach of around £2.0 million.

In terms of erosion aspects, the Coastal Transitions project will reduce damages compared with BAU by £7.4 million but will also deliver additional value potential benefits. Not all of these can be valued but those that can are estimated at £4.4 million over 100 years. There are also learning benefits which will enable the approach developed in the Resilient Coasts project to be rolled out across other coastlines looking to develop adaptive approaches to coastal erosion. The principles of the project could also be applied to adaptation to other risks, including flood risk.

Bringing the value at-risk damages avoided (£7.4 million), value potential benefits (£4.4 million) and learning benefits for the local community (£0.3 million) together gives total benefits of the erosion aspects of the Coastal Transitions project of £12.1 million. Project costs for the erosion aspects are £6.8 million<sup>[1]</sup>, this gives a benefit-cost ratio of 1.8<sup>[2]</sup>. Learning benefits [can](#) also include legacy benefits whereby the tools developed can be rolled out to more communities at risk. If an additional six communities at erosion risk are involved beyond the Resilient Coasts project, this could realise a further £24.0 million in benefits (costs would also be incurred so these benefits are not included in the BCR for the project). Note, the appraisal has been carried out over 100 years to enable the benefit from future application of the project to be applied, with additional costs incurred beyond this project.

For erosion areas, this starts by improving understanding of erosion to better predict when erosion may occur (Work Package F). This improved understanding then enables the local authority to work with communities before there is an erosion issue, involving them in developing and implementing community masterplans for adaptation (Work Packages A and B). Infrastructure owners will also be involved so there is a much more coordinated approach to relocation of assets, reducing disruption to communities but also enabling partnership working and collaboration between different infrastructure owners so they can come up with lower cost and more effective outcomes (Work

Package D). The costs for the project as a whole (flooding plus erosion) are £9.1 million (including risk contingency). The damages are reduced since communities are prepared for erosion and can implement their adaptation plans to avoid the reactive type of response seen in BAU.

The creation of an adaptation fund (Work Package C) means there is money available to help those unable to fund rollback themselves and work by the local authority will ensure that rollback land has been identified and allocated. This means that properties can be rolled back before they are at imminent risk of erosion. It also allows the frontage to be improved, providing a nicer environment, greater access to the coast and/or use of the frontage for erosion-compatible uses (e.g. relocatable assets such as caravans depending on the priorities of the local community) (Work Package E).

Once adaptation plans are in place, decommissioning of defences can occur enabling a more naturalised coast to develop. The release of sediment from the more natural coasts can help reduce impacts on other coastal locations and may reduce costs of coastal management elsewhere (also part of Work Package E).

There may still be a need for works to reduce coastal erosion in some locations, and the project will investigate short-term, lower cost solutions to rock armour (Work Package G). However, even in the absence of innovative ideas for short-term solutions, there will be a move to recognition that rock armour is a temporary solution to buy time to enable adaptation plans to be developed and implemented. The rock armour will then effectively be 'loaned' to a frontage. Once a community has developed and implemented its plan, the rock armour will be recycled and used elsewhere. This will reduce use of resources and is expected to reduce carbon emissions, although recycling of the rock armour will require extra handling, but overall transport distances and the need for fresh rock material each time will be reduced.

In terms of flooding aspects, it is assumed that the Resilient Coasts project will avoid flood risk increasing over the next 50 years for half of the 5,000 properties currently at 1% risk. The remainder would see flood risk increase but the engagement activities would be to better prepare communities for flood risk to improve their resilience and adaptation. This results in value at-risk damages of £27.3 million or benefits of £8.8 million. With costs for the flooding aspects of the project at £2.3 million, this gives a benefit-cost ratio of 3.9. Additional value potential is expected to be provided by visual improvement of the frontage and increase in community and industrial resilience.

Overall, therefore the project has total benefits of £20.9 million (£12.1 million from erosion aspects and £8.8 million from flooding aspects) compared with total costs of £9.1 million giving an overall benefit-cost ratio of 2.3<sup>[3]</sup>.

<p>[1] This assumes all the project costs are brought forward for the case study area to be incurred within the six years of the project, after which time adaptation is self-funding through the adaptation fund</p> <p>[2] This excludes the cost saving of £2.0 million over BAU, which would increase the BCR to 2.5 (£12.1 million benefits divided by £4.9 million net costs).</p> <p>[3] Again this ignores the cost savings over BAU for the erosion aspects. Including this would increase the BCR to 2.9 (£20.9 million benefits divided by £7.2 million net costs).</p>
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### 3.4 Description of how the proposed solution was optimised

There has been significant community and stakeholder engagement to inform project development and investment. Through a range of workshops, discussions and community project experience we have considered our proposals to optimise value, scale, location, timing, environment and social equality.

Project scale was determined through:

- The development of a Business as Usual Baseline with Risk and Policy Analysts that allows us to inform the wider project baseline for monitoring and evaluation purposes but also establishes the cost benefit ratio of resilient Coasts at 1.7 and identifies the likely learning benefits we will realise. This informs our investment priorities going forward.
- Discussion with National EA team regarding the use of the National Coastal Erosion Risk mapping approach. In 2023/24 has reduced the need for bespoke risk mapping and associated costs. We have also changed our project boundaries and pilots to reflect the additional investment that will be available through the new Coastal Transition Accelerator Programme in North Norfolk.
- Discussions with Anglian Water, regarding the use of their Behavioural Change toolkit and associated costs have reduced as the tool required less adaptation for coastal use than previously thought
- Discussions with the community at Thorpeness, meaning we have a better understanding of the need for and costs of rock options to support short term change. This has led to increased costs for the engineering design elements of the project to support greater innovation in the engineering sector.
- Discussions with the LGAC SIG, meaning we have evidence that natural capital and biodiversity net gain on the open coast needs developing in terms of evidence and evaluation and so we have expanded this to deliver greater national learning benefits to other CPA's and inform the EA FCERM Action Plan.
- Discussions with the EA Area and GYBC council officers team regarding the GYBC Tidal defence scheme timings and the best ways the Resilient Coast Project can support this initiative to maximise resilience outputs and wider benefits- notably around resilient landscape architecture and public realm design.

### 3.5 Description of: invest less and invest more

#### Invest less

The invest less scenario is based on a 20% reduction in costs for the Resilient Coasts Project. This is assumed to represent a reduction in the number of erosion case studies that can be undertaken, from four to three; the flooding case study would continue as planned. Work packages C, E, F and G are independent of the case studies, so cost savings are made on work packages A, B and, to some extent,

D. Thus a 33% reduction in case studies is assumed to represent a reduction of costs for the whole project of 20%.

The loss of one case study would mean there is a reduction in direct benefits (avoided value at risk damages and unrealised value potential benefits). However, it is assumed the case study would be captured following roll-out of the project findings. Given that the case studies have been selected to work with communities currently facing erosion pressures, there is a risk that emergency interventions would be required if erosion accelerates in the former case study location before the Resilient Coasts Project has delivered its tools and findings. Thus, the case study location could find itself in the difficult position of having a community willing to discuss adaptation but without the tools, funds, or time to do so. This could have reputational impacts for the local authorities and potential, wider knock-on implications for the Resilient Coasts Project in general. Additional costs may therefore be incurred to offset these potential issues.

The learning benefits would also be affected due to reduction in trialling in an additional context and with an additional community. The case study locations have been carefully selected to cover different contexts and communities, so there is a risk that future projects that are most similar to the foregone case study would need additional costs to respond to any context-specific issues or approaches needed.

### Invest more

The invest more scenario is based on adding one additional case study on erosion, so this increases from four to five; the flooding case study would continue as planned. Although the number of erosion case studies would increase by 25%, the costs are assumed to increase by 20% due to economies of scale and where the additional case study location is selected to be near to an existing case study, for example, Gunton alongside Corton. This would allow a slightly different context to be captured but could also involve looking at managing a longer length of coastline in a more coordinated way, including potential for communities to learn from each other more directly, for instance, through some joint engagement events.

The value at risk and value potential benefits would increase directly in relation to another case study being included. In addition, learning benefits would enable another context to be added but also broadened to see if and how adjoining communities could work together, where there are commonalities and where there are differences. This would also provide learning benefits for rolling out the project wider beyond the six years of the FCRIP programme.

## 3.6 Investment costs

The investment costs are outline in the appendix 3B.

## 3.7 Investment benefits framework including learning and innovation

### 3.7a Learning benefits

An overview of the learning benefits is provided in Section 2.2. This section highlights the specific learning benefits and if and how these have been valued. The table below focuses on the benefits that will enable roll-out of the tools and mechanisms developed through the project, including how in-project learning can be brought together to deliver legacy benefits.



Table 2: Benefits Framework: Learning Benefits

Ref	Benefits Category	Description	Approach to capturing change
1.1	Learning on cost	Better understanding of costs of activities and those that are most efficient	Cost savings from identifying what works well and in which contexts. Assumed to result in potential saving in costs. Assumed 20% saving for best, 33% for optimistic and 10% for pessimistic
1.2	Learning on benefits	Better understanding of benefits of activities and those that are most effective	Increased benefits from identifying what works well and in which contexts. Assumed to result in increased benefits from better targeting of actions. Assumed 125% of benefits for best, 140% for optimistic, 110% for pessimistic
1.3	Learning on management and governance (project level)	Learning on how to better engage and collaborate with infrastructure owners	Increased benefits from reduced costs from joint working and reduced impacts on communities from asset owners working together to address issues, to point of sharing funding to deliver multiple objectives rather than just their own individual objectives
1.4	Learning on skills, tools (methods and mechanisms) and capacity needed to implement actions and combinations of actions	Better understanding of how to roll-out the most effective activities for the most efficient costs and development of tools that can enable roll-out to cover adaptation pressures post the project Skills developed in local communities on co-design activities that will be useful for adaptation to future risks and working with authorities	Development of tools that can be used by others, such as behavioural toolkit, master planning, risk mapping, decommissioning roadmap  Social value bank estimate of £1,773 per person from regular attendance at voluntary or local organisation (is lower value than £3,249 for volunteering at least once per month for two months) so used as conservative estimate of skills developed through voluntary involvement
1.5	Learning on management and governance (wider lessons learned)	Development of functioning funding mechanism to enable roll-back Knowledge of how funding mechanisms could be developed to help encourage adaptation to other risks	Bringing together all the above to provide a suite of outputs that can be used by others to work with communities at risk, with worked examples from the case studies to follow

### 3.7b Value at risk

The overall value at risk benefits under BAU are summarised in Section 2.1 and for the Resilient Coasts Project in Section 2.2. This section provides a breakdown of the value at risk benefits (in other words, damages avoided) under the project and how these have been valued, including sources of values.



Table 3: Benefits Framework: Value at Risk Benefits

Ref	FCERM_AG AST Category	Sub-category	Description	Approach to capturing change
Value at-risk				
2.1.1	Economic	Erosion of properties	Change in timing of erosion and planned ability to rollback (so no loss of property value)	Based on average not-at-risk property value in East of England (from MCM)
2.1.2		Relocation of infrastructure and transport assets	Planned relocation of assets before there is a risk of erosion enabling more efficient approach	Based on estimated costs of relocation of assets, linked to timing when properties are rolled back
2.1.3		Additional flooding impacts	Emergency services costs and indirect effects on businesses	Based on MCM
2.2.1	Environmental	Regulating services, biodiversity, historic environment, landscape	Changes due to move to more naturally functioning coast	Captured under value potential
2.2.2		Carbon	Reduction in carbon emissions from re-use of rock armour	Captured in carbon assessment
2.2.3		WFD status	Change in status at Great Yarmouth	Captured under value potential
2.3.1	Social (individual and family)	Way of life	Change in costs of engagement to more proactive approach; funding to allow adaptation	Costs become distributional issue at individual level due to funding
2.3.2		Health and well-being	Mental health costs under BAU avoided	£9,546 per property damages avoided based on Gov.uk guidance
2.3.3		Personal property rights and fears and aspirations	Avoided social costs associated with having to move to temporary accommodation	£8,091 per household damages avoided from being able to rollback and not having to move into temporary accommodation from Social Value Bank
2.4.1	Social (Community)	Community	Additional engagement costs with community to co-design and implement adaptation plan	Captured in costs of project

2.4.2		Community culture and fears and aspiration	Avoided loss of community and income to community from reduction in population as rollback is available to all	Avoided loss of feeling of belonging for community of £3,919 per property affected based on avoiding a 0.25 reduction in score; small avoided loss from increased litter due to earlier demolition of £449 per 'tranche of erosion' and avoided loss of income from reduced maintenance of properties that were not rolled back under BAU (but are under project) at 0.5% per year of property value
2.4.3		Political systems	Avoided costs incurred by council from having to deal with community complaints and lobbying, and costs incurred to deal with building and housing issues	Estimated costs avoided of £16,150 per community (note additional engagement is undertaken as an integral part of the project; these are assumed to be captured in project costs)

### 3.7c Value potential

The overall value potential benefits for the Resilient Coasts project are provided in Section 2.2. This section describes the individual value potential benefits, whether they have been valued and, if so, how. Table 4 summarises the approach used to capture the value potential benefits, including the assumption and values used when estimating the monetary benefits.

Table 4: Benefits Framework: Value Potential

Ref	FCERM_AG AST Category	Sub-category	Description	Approach to capturing change
Value Potential				
3.1.1	Economic	Erosion of properties	Rollback avoids loss of properties and potential improvement in quality of properties	Based on energy efficiency improved by two bands (best at £434 per property), one band (pessimistic at £217 per property) and three bands (optimistic at £651 per property)
3.1.2		Relocation of infrastructure and transport assets	Improved resilience of assets to future erosion and flooding risk leading to less disruption for communities	Not valued
3.1.3		Land use	Coastal change resilience will be reflected in local planning policy making it easier for rollback sites to be identified and allocated	Reduced costs for rollback sites as they will not be competing with 'normal' development permission sites (may help increase likelihood that funding is available for rollback as total required per property would be less)

3.1.4		Indirect effects on businesses	SMEs will be better prepared for future changes due to flooding or erosion	Not valued
3.2.1	Environmental	Regulating services	Value of sediment released from strategic locations to support beaches, cliffs, elsewhere	Value from Bacton estimated at £10 per m <sup>3</sup> . Volume of sediment released not known but based on 5m cliff and erosion of 1m per year along frontage of case study locations.
3.2.2		Carbon	Better enables embodied value of carbon to be maximised, e.g. reuse of materials from demolition that would not be possible under BAU due to lack of time; reuse of rock armour materials	See this paper Carbon footprint of limestone quarrying: 3.13 tCO <sub>2</sub> e per ton crushed rock product – mostly linked to diesel fuel in transportation process
3.2.3		Biodiversity	Increased biodiversity from adaptive approaches and changes in land use, as minimum from biodiversity net gain and also offsetting benefits of hold the line elsewhere	ENCA has value of £1,866/ha for coastal wetlands, but this could be captured within value for biodiversity associated with release of sediments so is not included to avoid double counting
3.2.4		WFD status	Potential to reduce modification of water bodies in Great Yarmouth through greater use of nature-based and more sensitive solutions	Not valued
3.2.5		Historic environment	Potential to capture historic value in masterplan and to capture historic evidence (note would be at additional cost beyond that included in project costs)	Not valued
3.2.6		Landscape	Potential to manage frontline in a way that enhances local landscape as a benefit of rollback	Community benefits from a nicer environment associated with naturalised coast linked to social value bank value of £319 per household for improving open space (note applied only to erosion risk properties to avoid over-estimating)
3.3.1		Social (individual and family)	Way of life	Improved resilience of individual property owners to future erosion and flooding risk delivered through development and implementation of a plan
3.3.2	Health and well-being		Feeling of empowerment and potential increased benefits from increased access to recreation.	Mental health benefits assumed captured in above to avoid double counting

3.3.3		Personal property rights and fears and aspirations	Enables rollback to be self-financing, with behavioural change toolkit helping individuals to see how and why adaptation benefits them	Not valued – benefits of rollback are captured under a number of other categories and funding is an enabler for those who would not otherwise be able to afford to rollback
3.4.1	Social (Community)	Community	Communities empowered to take control of their own futures	Not valued but could be captured from number of members of community involved in co-design and co-management activities (but not known here)
3.4.2		Skills and competences	Increased skills in community from empowerment in decision-making	As above, plus increase in skills captured in learning benefits
3.4.3		Community culture and fears and aspiration	Potential to capture cultural activities and traditions within community masterplan to maximise their value Improved resilience of community assets	Not valued
3.4.4		Recreation	Potential to enhance recreational opportunities and access through community masterplans	Increased enjoyment for visitors
3.4.5		Political systems	Collaboration between communities and authorities, with increased trust	Not valued

### 3.8 Comparison of costs and benefits

The BAU has overall costs, over 100 years of £8.9 million (best estimate). To give an indication of uncertainty a range is used based on an optimistic scenario where erosion is delayed for longer than projected and a pessimistic scenario where erosion occurs earlier than projected. Using these scenarios, the range of costs is £6.4 million (optimistic) to £13.2 million (pessimistic).

The costs for the Resilient Coasts project are also presented as best estimate (£9.1 million) and optimistic (£7.9 million, where risk contingency is removed from the best estimate) and pessimistic (£11.5 million, where risk contingency is doubled). The benefits of the Resilient Coasts project are £20.9 million (for erosion aspects of the project: £7.4 million from value at-risk damages avoided, £4.4 million from value potential benefits; for flooding aspects of projects: £8.8 million for value at-risk damages avoided; and £0.3 million from learning benefits for local communities).

Learning benefits from rolling out the tools and techniques to other communities at risk is estimated to deliver around £4.0 million per community<sup>[1]</sup>, with average costs per community of £1.4 million. The learning benefits from focusing on the most cost-effective and efficient activities is therefore expected to increase the benefit-cost ratio of future projects to 2.9. It is assumed that there would be at least six additional communities that could benefit from roll-out of the tools and approaches (and probably many more) such that learning benefits are estimated to be at least £24.0 million.

Clearly additional costs would also be incurred to allow the tools to be rolled out but these would be reduced compared with the Coastal Transition project since the tools and processes would be

developed, so the only costs would be associated with application. At the same time, this would reduce the BAU costs, assuming those communities followed a reactive approach as under the baseline, by £13 million (based on £2.2 million costs per community across six communities).

For sensitivity analysis on the erosion damages, the range of benefits (optimistic scenario where erosion occurs later and pessimistic scenario where erosion occurs earlier) are £10.4 million to £13.9 million. Optimistic costs assume the erosion aspects of the project is are completed without the need for the risk contingency (£6.0 million) while the pessimistic costs assume twice the risk contingency is needed (£7.7 million). Under these scenarios, the BCRs are 1.8 (optimistic) and 1.8 (pessimistic).

For the flooding benefits, the value potential benefits are not valued in the main economic appraisal since the value at-risk benefits are sufficient to justify spend on that aspect of the project. Similar value potential benefits could be applied as for erosion, linked to a move to a nicer environment and empowerment of individuals. Given the population of Great Yarmouth that is at risk, these benefits could be considerable.

3.8a - Table 5: Economic appraisal (quantitative)

Options	PVc £k	PVb £k	BCR
Proposed Solution (erosion and flooding)	£9,131,700	£20,877,700	2.3
Erosion aspects	£6,848,775 <sup>[2]</sup>	£12,083,513	1.8
Flooding aspects	£2,282,925	£8,794,187	3.9
Erosion aspects including cost saving over BAU	£4,881,095	£12,083,513	2.5
Proposed solution (erosion and flooding taking account of cost saving over BAU)	£7,164,020	£20,877,700	2.9

With an overall benefit-cost ratio of 2.3 (or 2.9 when cost savings compared with BAU are taken into account) and with both aspects of the project showing a benefit-cost ratio that exceeds 1, the project is considered to be economically worthwhile. Significant additional value potential and learning benefits that have not been monetised are also expected to be delivered. Developing approaches to valuing these through the project, from measuring how the projects delivers benefits to communities will be important for enabling future funding to allow for roll-out of adaptive approaches. Roll-out of the adaptation funding mechanism nationally will be a key step in helping those at erosion and potentially flood risk to rollback out of areas at risk.

<sup>[1]</sup> Based on an 'average' community as estimated from the four case studies to be included in the project.  
<sup>[2]</sup> Excludes costs for infrastructure relocation since these are not included in the costs of the project as they would be incurred by infrastructure owners, but would be required to avoid erosion impacts from disruption due to loss of services. With infrastructure costs the overall costs increase to £6,896,563 which gives a benefit-cost ratio of 1.8. The costs are low due to discounting and conservative assumptions on what infrastructure impacts might be.

### 3.9 Sensitivity of the benefits to the level of investment

Table 6 and 7 provide a discussion on how the economic case might vary under do less and do more.

#### 3.9a - Table 6: Do Less

Options	PVc £k
Do Less	£7,761,945
Description of the reduction in benefits	
Do less involves reducing the number of case studies from 4 to 3 (the flooding case study would still continue so it would be one of the erosion case studies that would no longer be undertaken). Cost savings are made are work packages A and B and, to some extent, on work package D. There would be a reduction in direct benefits due to value at-risk damages no longer being avoided and value potential benefits not being realised. As an average, the reduction in benefits would be around £3.0 million for the one community lost. There would be a loss of learning benefits in terms of context of application to the fourth case study, which could have knock-on effects for cost savings and benefits when the tools and processes are rolled out more widely	

#### 3.9b -Table 7: Do More

Options	PVc £k
Do More	£10,501,455
Description of the increase in benefits	
Do more involves increasing the number of case studies for erosion from 4 to 5, with the flooding case study continuing as planned, so one additional erosion case study would be added. The ambition would be to extend one of the existing case studies into an adjacent settlement in order to assess economies of scale of working along a longer section of coast. This could lead to economies in terms of engagement activities with communities as well as for more strategic management of the coast over a longer frontage. The additional learning obtained from a more coordinated approach to management of the coast would include investigating how communities could work together, with this potentially offering more opportunities for rollback locally, although this would likely depend on the specifics of the communities in question.	

#### 3.9c Critical success factors

Using the HM Treasury Critical Success Factors (CSFs) as a guide, the project's current CSF's are outline in table 7. These will continue to develop throughout the project as new outputs and outcomes emerge.

It is important to note that the interdependencies and sequencing of these CSFs are critical. For example, to increase the resilience of communities at risk of erosion through coastal adaptation, local policies will need to be agreed and additional funding may need to be drawn-in to the project.

Table 7 Critical Success Factor

Ref	HMT critical success	Critical Success Factor outcomes	Measurement criteria
1	<b>Strategic fit and business needs</b>	<p>a. The project reduces the risk or impacts of coastal erosion to communities within the project's pilot places.</p> <p>b. The project meets the spending objectives of the FCRIP by delivering on the objectives of the programme by the deadline within the allocated budget.</p> <p>c. The project meets the business needs and service requirements of Local Authorities aligned to their local plans and strategies by finding and testing practical solutions supporting vulnerable coastal communities that are at risk</p> <p>d. The project find solutions to coastal challenges relevant nationally, in-line with the Environment Agency and Defra's strategic coastal overview role of the coast and the Shoreline management Plans for our area.</p> <p>e. The project delivers outcomes that are aligned with all relevant local, regional and national programmes and strategies. These are set out in section. 2.1.b and 2.1c.</p>	<ul style="list-style-type: none"> <li>• Resilience measurement through the Zurich Resilience measurement tool and new emerging methodologies.</li> <li>• Coastal processes and flood risk monitoring.</li> <li>• Financial performance is monitored by the project board according to the agreed metrics.</li> <li>• Performance monitoring by East Suffolk Council and Coastal Partnership East officers.</li> <li>• The project publishes all work package outputs in-line with the agreed deadlines. Adaptive SMP policies are delivered.</li> <li>• The project delivers its intended outcomes by the agreed deadlines.</li> </ul>
2	<b>Potential value for money</b>	<p>a. The projects outputs and outcomes are delivered within the financial parameters set out in this OBC. These options have been designed, selected and optimised to deliver maximum public value by selecting options that will deliver a positive benefit cost ratio to society. The range of benefits are outlined in section 3. 'Economic case and benefits framework'.</p> <p>b. The project finds solutions to a range of social, economic and environmental challenge that can be delivered locally and nationally. Where these are not deliverable within current national funding mechanisms, new funding options have been developed.</p> <p>c. The project's learning benefits have been completed and disseminated through national channels.</p>	<ul style="list-style-type: none"> <li>• The project publishes all work package outputs in-line with the agreed deadlines.</li> <li>• All project delivers its intended outcomes by the agreed deadlines.</li> <li>• The project's learning outputs are published / disseminated by the agreed channels and monitored using the criteria agreed during the programme development process.</li> </ul>

<p><b>3</b></p>	<p><b>Supplier capacity and capability</b></p>	<p>a. The project appoints the required mix of suppliers and partners with the capability and resources to deliver the required work.                      b. The project’s suppliers deliver the required outputs within the time and cost parameters and up to the required standard.</p>	<ul style="list-style-type: none"> <li>• All required suppliers and partners are appointed.</li> <li>• All supplier projects are successfully delivered in-line with the contractual requirements.</li> </ul>
<p><b>4</b></p>	<p><b>Potential affordability</b></p>	<p>a. The project is funded and delivers its outputs and outcomes within its FCRIIP allocation.                      b. The project’s suppliers deliver their work within their allocated budgets.</p>	<ul style="list-style-type: none"> <li>• Financial performance is monitored by the project board according to the agreed metrics.</li> </ul>
<p><b>5</b></p>	<p><b>Potential achievability</b></p>	<p>a. The project recruits officers for all vacancies.                      b. The project retains the required level of resource needed to deliver all outputs and outcomes.                      c. The project’s partners retain all required resource to deliver their relevant workplans.                      d. The project team and suppliers have the required level of experience and skills to deliver the project outputs and outcomes.</p>	<ul style="list-style-type: none"> <li>• All recruitment campaigns are successful.</li> <li>• The required level of resource is retained throughout the project programme.</li> </ul>



## 4 Commercial case

### 4.1 Summary of procurement strategy and timescales

#### Introduction and procurement strategy

Full details of the management and governance structure are provided in Section 6.2 of the Management case, which outlines governance in relation to decision making and procurement outcomes.

The lead local authority for the Resilient Coasts project is East Suffolk Council in partnership with Great Yarmouth Borough Council and delivered by Coastal Partnership East officers from across the two councils. As such, procurement and contracting of goods and services will be carried out by both authorities depending on several factors. This includes respective geographical operations of the Resilient Coasts Programme as well as cost, viability and efficiency of our procurement routes based on specific programme objectives.

The nature of the EA FCRIP programme is that it is innovative and is seeking new approaches and knowledge generation to assist with informing future local activities, national policy and funding mechanisms. The nature of the Resilient Coasts project is that it will, through its initiation, development and delivery, need to be flexible in order to procure numerous goods and services across several localities, with a variety of contract values, all while utilising differing contract types. As such, (and unlike the commercial case for traditional coastal or flood protection schemes), there is no one identifiable route to market, contract type or risk allocation preference to provide all the needs of the programme. Consequently, as the programme progresses, the project team will identify the most efficient procurement route according to the principles and options below. Should any procurement routes change during the six-year delivery period, or if new opportunities are identified, these will also be considered, alongside other local government schemes.

Procurement processes will comply with all those required by local government. This also includes European Union directives and regulations (and any successive changes), Public Contract Regulations 2015, individual local authority financial and contract procedures (including fraud and corruption policies, whistleblowing policies, and employee codes of conduct). Procurement strategies and approaches for Coastal Partnership East members (East Suffolk Council, and Great Yarmouth Borough Council) are included as links in Appendix 4A.

#### Procurement options

There will be a number of differing procurements needs in the delivery of the programme, including the following examples;

Services	Design	Architectural	IT and related software
Technical	Legal	Financial	Data
Theory & Knowledge	Employment & HR	Tools & software	Estates & property
Fees	Licences and consents	Facilities	Consumables

If there are any benefits to jointly procuring goods and services, there is the potential to do this. For example, this could include specialist skills or services which cannot be fulfilled by internal local authority teams, such as specialist legal services. In this instance, legal expertise could be purchased to provide continuous support throughout the programme, ensuring timely advice, guidance and consistency. These opportunities will be identified by the project team and assessed as the details of the delivery and the programme are finalised.

There are also opportunities within the finance and funding space to attract additional grants and loans (for example, through private third parties and environmental bonds). This additional financing can be used to supplement funding needs that are identified through the Resilient Coasts project process, for instance, for community adaptation and transition purposes. To effectively administrate these approaches, it will be necessary to draw on existing knowledge and expertise.

Several procurement methods are available. This variety allows teams to choose appropriate routes according to need – whether that be based on skills, experiences, or efficiencies such as cost. In order to assess quotes and tender submissions, CPE has experience in identifying the most economically advantageous tender (MEAT). The combination of multiple procurement routes and experience in MEAT means that teams can effectively secure appropriate goods and services that balance optimum outcomes and cost.

The following procurement options are open for the use of the CPE team in the delivery of the resilient Coasts Project. These have been utilised successfully by the team across the three CPE local authorities (NNDC, ESC and GYBC) in recent operations and projects. Examples of where these have been achieved are provided in the table below.

#### 4.1 a – Procurement routes available to CPE and examples of successful use.

Procurement Route	Description	Example of use
Local Government Procurement Processes (including OJEU)	Local Authorities have defined procurement routes which are scalable dependent on value and can be used for all purchase types via exemption, quotation or tender. Supported by LA Procurement Teams and electronic procurement platforms.	Day to day use throughout CPE, GYBC, ESC and NNDC to purchase all scales of goods and services.
CPE - Dynamic Purchasing System	Includes 'Lots' based around types of goods or services to be procured – providers request inclusion in scheme and procurement is via tender process. Supported by ESC Procurement Team and electronic procurement platform.	Utilised at different scales for procurement of consultants and specialists by CPE for New Engineering Contracts (NEC4) from options appraisals (Hemsby, GYBC), scheme design and environmental appraisal (Mundesley and Cromer Coastal Management Schemes, NNDC) to construction supervision (Sandscaping, NNDC).
SCAPE - Civil Engineering	Local Government Framework for civil contractors	East Suffolk Council have utilised SCAPE for the multi-million Lowestoft Flood Defence Scheme.
SCAPE - Perfect Circle	Local Government Framework for consultants	East Suffolk Council have procured services to enable innovative community engagement through virtual platforms.
EA Framework Next Generation Supplier Arrangement (NGSA)	Environment Agency Framework for Flood and Coast specialists	CPE have not to date utilised the NGSA although it remains an option.
Local Government Service Level Agreement (collaboration agreements) - e.g Public Sector Cooperation Agreement (PSCA).	Agreements made between parties, often local Government and/or public sector organisations for the delivery of a service.	East Suffolk Council and the Water Management Alliance have successfully delivered coastal maintenance works through a PSCA.

Partnership/bespoke Agreements	Individually agreed legal agreement between parties to work together for a joint outcome.	North Norfolk District Council and the Bacton Gas Terminal operators developed, delivered and monitor a multi-million UK first coastal management scheme under bespoke agreements.
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#### 4.2 Contractual terms and risk allocation

##### Key contractual terms and risk allocation

Coastal Partnership East has experience of utilising several contract types such as NEC3 and NEC4 Engineering and Construction and Professional Services Contracts, alongside local government standard contracts, and other specialist contracts where this is considered beneficial. These can include several options such as target price, activity schedule etc.

When using NEC contracts each of the CPE authorities has agreed standard contract data which can be adjusted to meet specific procurement objectives and be tailored to enable appropriate risk management. We have established developed knowledge alongside relationships with specialist advisors in order to seek specific guidance and advice to ensure risk is effectively managed and forms or contract are appropriately selected.

Risk allocation will be very dependent on the goods or services procured and it is not possible at this stage to specifically outline detailed procurement risk. Project governance includes programme-wide risk management, which includes high level procurement and cost risks that will need to be considered. For specific activities where these identified programme risks may be prominent, if activities are innovative and less known, or where there have been specific risks identified which could result in changes to cost or variable quality, separate procurement risk assessments will be completed as appropriate. Such assessments will help teams select the most suitable contract type, options, terms and conditions, as well as liability levels and clauses.

Key risks relating to procurement that have been identified include:

- General increases in energy and supply costs due to external factors (such as COVID, Brexit, war)
- Unable to contract suitably experienced contractors and consultants due to:
  - national and international demand
  - increased demand due to EA programme value
  - increased demand due to number of FCRIP and NSIP projects
  - Delays in contract start due to national demand in key services
  - Definition of scope due to innovative nature of programme
  - Scope and objective creep
  - Lack of access to, and knowledge of specialist skills and services
  - Suppliers going into liquidation
  - Fluctuations in the wider national economy and inflation
  - Limited availability of supplies and late deliveries due to transport delays
  - Delays in or unforthcoming consent for works
  - Variety of procurement routes and varying contract types, terms and conditions, places increased burden on legal teams

### 4.3 Innovation and commercial issues

#### Procurement need

As part of the procurement process and where necessary, the project team will complete procurement assessments with other relevant teams within the CPE authorities, so that the most appropriate route, contract and conditions are used according to objectives. Should this be the case, a clear process is available to follow so that decisions can be made according to consistent principles.

Indicative initial procurement needs have been identified below for the first two years of the programme. It's worth noting that we have endeavoured to build skills and capacity within the area through FCRIP funded resource that's dedicated to the Resilient Coast project. This serves to protect the project from external factors that could impact procurement listed in 4.2 and embeds skills and capacity where it's needed. We will also be utilising resource in kind from several partners including EA local and national colleagues, LGA Coastal SIG, UEA's Professor Tim O'Reardon, wider LA service teams and community volunteers, experts and professionals.

**Table 4.3a: Procurement need across Resilient Coasts work packages**

Work Package	Indicative potential procurement need and likely procurement route
WP1 - Erosion Risk Mapping, Modelling and Visualisation	<b>Need-</b> Specialist technical knowledge, technical skills, software, data, data management, IPR, Research <b>Routes-</b> EA NCERM2 programme, UEA and DPS or Scape framework
WP2 - Coastal Spatial Plans	<b>Need-</b> Specialist technical knowledge, technical skills, software, data, data management, IPR, Research <b>Routes-</b> SCAPE/Perfect Circle.
WP3 - Funding and Financing Mechanism	Risk analysis, financial modelling, policy skills. Research and legal support. Economists. <b>Routes</b> - Scape- Risk and Policy Analysts. Marsh- Direct Award by ESC.
WP4 - Community Transitioning toolkits	<b>Needs</b> Communications and Engagement specialisms, Anglian Water behavioural change toolkit transition, resilience assessments, virtual and augmented reality, gaming technology, visualisations, IT and data specialisms, <b>Routes-</b> Direct Award for Groundworks, Zurich and LSE, SCAPE/Perfect Circle for Aecom. UEA
WP5 – Integrated Investment Strategy	<b>Needs</b> - Specialist technical skills and knowledge, financial, programming, legal, mapping, Social Value evaluation <b>Routes</b> – SCAPE Balfours, Perfect Circle Aecom.
WP6 - Community Masterplan	<b>Needs-</b> Land agent, Town and Country Planning, Highways, Engineering, Building, Landscape Architect, Legal, Facilitation, Communication and Engagement, expertise. <b>Routes</b> PSCA with East Solent Coastal Partners. Perfect Circle
WP7 – Policy Challenge	<b>Needs-</b> -Legal and policy expertise <b>Routes-</b> Scape/Perfect Circle, LGA Coastal SIG and EA national team
WP8 – Asset Management Plan	<b>Needs-</b> Engineering expertise, environmental and consenting expertise, legal support. <b>Routes</b> Scape Balfour Beatty and EA GYBC FCERM project
WP0 - Project Management	<b>Needs-</b> Programme Management, Project Management, External Assurance and input. <b>Routes-</b> Unlikely to need procurement - In-house resources LGA Auditors and Assurers free service. EA monitoring processes.

#### 4.4 Efficiencies and commercial opportunities

Procurement and commercial agreements provide the opportunity to deliver efficiencies to the programme, in addition to providing wider benefits and gains. What these are, depend on the goods and services being procured and the route chosen.

**Efficiencies could include:**

- bundling together where there are clear benefits and similarities in the goods or services being sought
- ensuring clear, well defined and realistic scopes are developed at the start prior to procurement
- ensuring all key data is available and clear routes to data are identified
- considering recruiting, outsourcing or training staff
- group or bulk buying
- reusing materials
- capturing expertise gained
- linking with other local or national programmes e.g. erosion data, SMP explorer, R&D programmes, other FCRIIP projects
- identifying and participating in local opportunities, for example, free or shared site compounds or land and other public realm initiatives such as social housing
- third party funding opportunities

**Commercial opportunities could include:**

- social value
- TOMS portal (social value measurement)
- CO2 reductions and net zero
- FSC certification
- recycle, reuse, repurpose
- capturing learning and knowledge shared between contractor and consultants and feeding this into final FCRIIP outcomes and outputs
- procuring locally

- education and academia, including schools and colleges
- apprenticeships and internships
- masters and PHDs
- long-term merchandising of product or services through CPE consultancy

#### 4.5 Commercial Summary

We are confident that our procurement approach demonstrates value for money. We have engaged with our key suppliers and partners and tested the market through the Scape framework as well as based costs on recent information from innovative adaptive approaches we have trialled.

Our supplier engagement has flagged potential procurement risks and mitigation options and shaped our 20% risk allowance for the Resilient Coasts project.

Due the wide range of actions and activities we have a range of qualitative and quantitative tender evaluation criteria based on government guidelines. Our planned tender timelines and timescales will vary but are linked to the programme timeline, critical path and work package deliverables summarised in the management case.

All our Resilient Coasts procurement needs and processes are compliant with our Local Authority legal, financial and procurement procedures. all our projects are subject to internal and external scrutiny and audit.

## 5 Financial Case

### 5.1 Summary of Project Cost and Whole Life Cost

Table 8 outlines the headline costs. Further detail can be found in section 5 (Financial case) and appendix 5A (detailed costs breakdown).

The costs are in-line with below but have been re-profiled as the project has been developed:

- the revised EOI submission
- the FCERM7 OBC studies application
- the project FCRIIP funding allocation

Table 8: Project Cost

Cost heading	Cash Cost
<b>Costs up to OBC</b>	
Costs up to OBC	£k <b>569.5</b>
Sub-Total (A)	£k <b>569.5</b>
<b>Full-Business Case Development Cost</b>	
Staff costs	£k <b>10</b>
External consultant costs	£k <b>30</b>
Site investigation and survey	£k <b>0</b>
Other	£k <b>0</b>
Contingency/risk allowance	£k <b>0</b>
Sub-total (B)	£k <b>40</b>
<b>Construction, supervision and delivery costs of resilience actions</b>	
Staff costs	£k <b>1,650.060</b>
External consultant costs	£k <b>1,659.001</b>
Site investigation and survey	£k <b>10</b>
Construction	£k <b>495.272</b>
Supervision	£k <b>0</b>
Land purchase and compensation	£k <b>0</b>
Other (Adaptation Fund)	£k <b>1,500.000</b>
Contingency/risk allowance ( <b>*20% risk added to <u>all</u> costs plus 30% OB</b> )	£k <b>2,607.851</b>

Sub-total (C)	£k 8012184
Monitoring, learning, evaluation and dissemination	
Monitoring	£k 130
Evaluation, learning and dissemination	£k 165
Other	£k 0
Contingency/risk allowance	£k 0
Sub-total (D)	£k 295
Inflation	
Inflation allowance	£k 215.040
Sub-total (E)	£k 215.040
<b>Total Project Value</b>	
<b>Total Project Value for approval (A+B+C+D+E)</b>	£k 9,131.724

Table 9: Whole Life Cost

Cost heading	Cash Cost
<b>Total Project Value from table above (F)</b>	£k 9,131.724
Post-project cost	
Future operation, monitoring and maintenance costs	£k 0
Future capital replacement costs	£k 0
Optimism bias for future costs	£k 0
Sub-total (G)	£k 0
<b>Total Whole-Life Cost</b>	
<b>Total Whole-Life Cost (F+G)</b>	£k 9,131.724

## 5.2 Financial risks and optimism bias

### 5.2a How have the risk contingencies and optimism bias been derived?

#### Risk:

- Risk at 20% has been applied to **all costs**. This is in-line with the revised EOI submission and was also agreed by the programme team following a series of detailed risk workshops (see risk register).
- The risk allowance is considered to be appropriate, largely due to the low risk for staff costs and adaptation fund.



- 20% risk was also agreed to be appropriate based on the level of early contractor engagement that has taken place.

**Optimism bias:**

- 30% optimism bias (OB) has been applied to **all costs**.
- As above, the level of OB is considered to be appropriate, largely due to the low risk for staff costs and adaptation fund, plus the level of early contractor engagement that has taken place.

**5.2b How have the post-project costs and optimism bias been derived?**

- The post-programme actions and related costs will be identified and calculated as part of the various work packages. Therefore, post-programme costs (and therefore risk and OB) have not been included.

**5.3 Funding sources and contributions**

Describe all funding sources and contributions.

Appendix 5B Contributions

*(See Guidance Document Aspect 6)*

**5.3a (Table 10): Funding sources and contributions**

Source of funding	£k	Comments
Resilience Innovation Fund	8,411.724	This is in-line with the revised EOI.
Contribution 1	720	This is an in-kind contribution of by Coastal
Contribution 2	-	-
Contribution 3	-	-
Contribution 4	-	-
Contribution 5	-	-
<b>Total funding</b>		

## 5.4 Expenditure and Funding Profile (2021-2027)

5.4a (Table 11): Expenditure Profile (2021-2027)

Costs per year (£k)	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	Total (£k)
<b>Outline Business Case Development cost</b> *See project FCERM7 and 3 for itemised breakdown.	569.5	-	-	-	-	-	569.5
<b>Staff costs</b>	-	286	345.465	350.465	350.465	317.667	1,650.060
<b>External consultant costs</b>	-	482,666	583,668	383,667	115,000	94,000	1,659.001
<b>Full-Business Case Development Cost</b>	-	-	-	-	-	40	40
<b>Construction, supervision and delivery costs of resilience actions</b>	-	195,000	425,000	1,130.00	345,272	-	2.095.272
<b>Monitoring, learning, evaluation and dissemination</b>	-	85,000	95,000	40,000	45,000	30,000	295
<b>Risk</b>	112.549	227.800	391.800	162.800	175.800	113.651	1,184.400
<b>Optimism Bias</b>	240.600	341.700	587.700	244.200	263.700	98.700	1,776.600
<b>Inflation</b>	33,.84	47.838	82.278	34,.88	36.918	13.818	248.724
<b>Total</b>	<b>569.5</b>	<b>1,666</b>	<b>2,510.9</b>	<b>2,345.3</b>	<b>1,332.1</b>	<b>707.8</b>	<b>9,131.7</b>

5.4b (Table 12): Funding Profile (2021-2027)

Costs per year (£k)	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	Total (£k)
<b>Funding Allocation</b>	569.5	1.526	2,370.9	2,195.3	1,182.2	567,836	8,411.7
<b>Contributions</b>	-	140	140	150	150	140	720
<b>Total</b>	<b>569,5</b>	<b>1,666</b>	<b>2,510.9</b>	<b>2,345.3</b>	<b>1,3322</b>	<b>707.8</b>	<b>9,131.7</b>

## 6.0 Management case

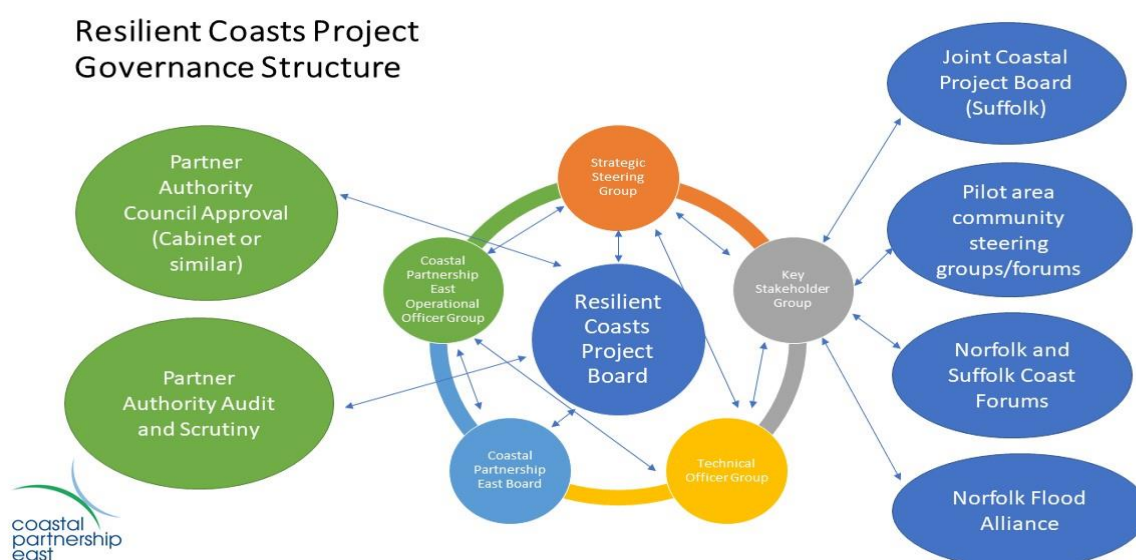
### 6.1 Governance and partnership arrangements

#### 6.1 Project structure and governance

Robust governance and appropriate project management is at the forefront of the Resilient Coasts Project. The programme is supported by all partner councils and by programme partners including Anglian Water, UEA, Marsh and Groundwork Ltd.

Although the Programme Board is newly established, it draws support from the well-established governance structure of Coastal Partnership East. In addition to the Programme Board, a Strategic Steering Group and Key Stakeholder Group will be embedded into the governance structure, taking membership from the existing governance of the established pilot area (and in some cases formally constituted) community groups. The governance and assurance arrangements in place for the programme are shown in Figure 6.1.1 below.

Figure 6.1.1 Resilient Coasts Project Governance structure



The Resilient Coasts Project Board will be chaired by East Suffolk Council’s Cabinet Member for Planning and Coastal Management and will include additional elected members representing the pilot area wards in both partner councils. The board will include heads of service from both East Suffolk Council and Great Yarmouth Borough Council, as well as representatives from the Environment Agency, Natural England, Anglian Water and the UEA. Both the chair and heads of service provide links to Coastal Partnership East’s Board and Operational Officer Group, providing an added layer of scrutiny. Audit and scrutiny in each partner council will receive regular updates on the project to ensure full transparency and accountability.

It is anticipated that the board will have a programme of quarterly meetings set in advance. However, it is likely that within the first year the board may meet more frequently to ensure the best possible start and to provide formal guidance and direction. The board will be formally set up by the lead authority, East Suffolk Council, and is likely to be an executive group as per the constitution but not have budgetary responsibility. Key decisions, including spending will be the responsibility of East Suffolk Council’s Cabinet, with support from Great Yarmouth Borough Council’s Environment Committee (as per their constitution and financial management).

To ensure that the project has full scrutiny, accountability and a comprehensive joint approach to development and delivery, a Strategic Steering Group and Key Stakeholder Group will both inform and be informed by the board. These groups will share information, guidance and views from the existing groups shown in Figure 3.

The project governance structure supports the two-way symmetrical approach (systems theory) towards communications and engagement that underpins the project and its goals.

## 6.2 Project management

The Resilient Coasts project will be managed according to the project management processes set out by Coastal Partnership East and their partner local authorities.

These are based on the principles and are in line with established CPE and local authority systems and procedures that enable the effective management of schemes and programmes. This approach to project management has been successfully applied to the delivery of, for example, the Gorleston to Pakefield Coastal Strategy, the Lowestoft South Beach Scheme and the Lowestoft Flood Risk Management Project.

Project management roles and responsibilities are set out below. However, each Work Package will have an assigned project lead/manager and project governance linking back to the overall governance structure as outlined above.

The programme will be overseen by East Suffolk Council acting as lead authority. Great Yarmouth Borough Council will serve as the supporting authority through Coastal Partnership East (CPE) in their capacity as the coastal management service for both councils.

CPE is a shared coastal management service between North Norfolk District Council, Great Yarmouth Borough Council, and East Suffolk Council. The partnership has demonstrated that it is an effective and efficient delivery model.

East Suffolk Council is also the lead delivery and contracting body on behalf of the partners involved in the programme. Programme decisions will be made through a Programme Board as approved by East Suffolk Council Cabinet and endorsed by Great Yarmouth Borough Council's Environment Committee. Decisions will also be agreed to by programme partners. The board includes elected members, programme partners and the Environment Agency in an advisory capacity.

### 6.3 Project management roles and responsibilities

The Resilient Coasts project roles and responsibilities are summarised in the Table 6.3.1 below.

Function	Project role	Responsible person	Job title	Project responsibility
Governance	Chair Resilient Coasts Project Board	Cllr David Ritchie	Cabinet Member for Planning and Coastal Management East Suffolk Council	Governance oversight. Ensuring the Board feeds into and is informed by other groups identified in the governance structure. Accountable to lead authority Cabinet.
	Chair Coastal Partnership East Board	Cllr Penny Carpenter	Vice-Chair Environment Committee Great Yarmouth Borough Council	Ensuring the Board feeds into the FCRIIP Board and activities are in accordance with the CPE programme.
	Specialist Technical Advisor & Senior Responsible Officer	Karen Thomas	Head of Partnership Coastal Partnership East	As part of the Resilient CoastsFCRIIP Board, ensuring that information to the Board Chair and its members is reflective of the project's objectives, outcomes and indicators. Ensuring that risk is regularly reviewed, and issues are brought to the attention of the Board for action.
	Chair, Operational Officer Group Coastal Partnership East	Nick Khan Or Philip Ridley	ESC Director ESC Head of Planning and Coast	Governance oversight of CPE performance Ensuring Operational Officer Group feeds into CPE Board, shaping work programmes and delivery Member of Resilient Coasts Board
	Chair, Strategic Steering Group/Think Tank	To be appointed		Oversight of strategic steering group functions. Group membership will include statutory consultees and partners; key academic figures
	Chair, Key Stakeholder Group	To be appointed		Oversight of key stakeholder group functions. Group membership will include key contracts from community steering groups; established coastal community boards; critical community figures.
	Chair Technical Officer Group	Karen Thomas	Head of Partnership, Coastal Partnership East	Oversight of technical work packages, progress and outputs. Ensuring that project evaluation shapes product development and eventual delivery.
Assurance and delivery	Project accountant	Brian Mew	Chief Finance Officer and Section 151 Officer East Suffolk Council	Finance advice, support and assurance.
	Project communications	Sharon Bleese	Coastal Manager (South), Strategic communications lead Coastal Partnership East	Over-arching communications advice, support and governance.
	Project procurement	Mark Fisher	Procurement Manager, East Suffolk Council	Procurement advice, support and assurance.

	Project team legal	Melissa Tills	Commercial Lead Lawyer, East Suffolk Council	Legal advice, support and assurance.
	Consenting, licencing and environmental	New post – recruitment in progress		Leading consenting, licencing and environmental studies and progress.
	Funding and finance	Paul Mackie	Strategic Funding Manager, Coastal Partnership East	Funding advice and guidance, overall funding strategy lead.
Delivery	Work Package 1. Understanding and mapping risk	New posts – recruitment in progress	Senior Resilience Advisor and GIS officer.	Delivery of the erosion risk mapping data linked to the EA NCERM2 programme. linkages to existing flood risk mapping and creation of data for the spatial planning tool.
	Work Package 2. Coastal spatial mapping	New post – recruitment in progress	Senior Resilience Advisor and GIS Officer	Oversight of the data needs and management to develop the map and the delivery of the mapping tool.
	Work Package 3. Adaptation Funding and Financing	Paul Mackie	Strategic Funding Manager, Coastal Partnership East	Oversight of funding advice and support and delivery of the Adaptation funding mechanism.
	Work Package 4. Community Transitioning Toolkits (behavioural change)	Sharon Bleese	Coastal Manager Strategic communications lead Coastal Partnership East	Oversight of the development and delivery of Communications and engagement advice and guidance and the behavioural change toolkit.
	Work Package 5. Integrated Investment strategy	New post – recruitment in progress	Programme Manager/Senior Coastal Resilience Advisor	Overarching responsibility for the engagement of infrastructure providers to acquire data on location and investment plans of their assets, agreements and negotiations.
	Work Package 6. Community Adaptation Master plans	New posts – recruitment in progress	Senior Coastal Advisors (location specific) Engagement officers	Over-arching responsibility for coordinating the plans with communities and partners with support from engagement officers
	Work Package 7 Policy Change	Karen Thomas	Head of Coastal partnership	Oversight of all potential policy and legislative learning and dissemination of evidence to EA, LGA CSIG and partners
	Work Package 8 Costed management plan	Costed Asset Management plan	Tamzen Pope CPE Operations and Engineering Manager	Oversight of all technical and engineering solutions relating to the future management of coastal assets including design innovation, decommissioning and costing.

**Figure 6.3.1 Summary of the Resilient Coasts project team roles and responsibilities**

#### 6.4 Project plan

The key stages of the project plan are provided in Appendix 6G. A full project programme is provided as Appendix 6C.

## 6.5 Skills and capacity

Coastal Partnership East is an embedded service of local authority officers based across 3 local authorities offering skills and expertise to manage the coast on behalf of NNDC, GYBC and ESC. The partnership formed in 2016 following discussions about the need to build skills and capacity in coastal management given the current and future challenges and opportunities facing our coast.

The team is comprised of 25 coastal professionals with skills in community engagement, funding and finance, engineering and asset inspection, geomorphology, environment, project management, planning, policy and strategy development and implementation. The team give service to the East Anglian Coastal Group and National Coastal Group network, are leading work programmes on behalf of the LGA COastal SIG including FCERM strategy and funding, coastal adaptation and beach safety and risk management. The team have given evidence to several recent enquiries and calls for evidence including the governments 'Future of Seaside Towns report' (2020) and the EFRA committee report on 'Coastal Flooding and Erosion and Climate Change report' (2019). CPE have contributed to shaping the EA FCERM Strategy and Defra Coastal Policy and input to EA work programmes and initiatives like NCERM2, Women in FCERM and the 'Working together to adapt to a changing climate: flood and coast' programme.

Members of the team present at national and international conferences including CIWEM and ICE and have peer reviewed papers in their specialist topics. CPE are highly regarded with their national and local peers and coastal community leaders for the work they are progressing on adaptation to coastal change.

In addition, the skills and expertise of CPE the Resilient Coasts project will be acquiring additional support from a range of industry and academic professionals from across the FCERM and broader engagement and funding and finance sectors. Notably we need to access; private sector funding, finance and insurance expertise; resilience experts with global learning; engineering innovation through contractors and the wider industry; specialists who can create architectural design visions and virtual and augmented reality tools and environmentalists and economists to support natural capital and biodiversity innovation.

We also need to build additional capacity to carry out engagement and communication activities and gather data and information from our communities and partners to support our coastal baseline and evidence base. We will be recruiting additional resource directly to support the resilient Coast project delivery and embed skills in the team as well as create capacity for the long term deliverables that arise from the project post-2027.

## 6.6 Programme

A detailed programme has been developed with input from our partners in Appendix 6C. the programme identifies the interlinkages between work packages and establishes when benefits may begin to realised. Risk and Policy Analysts have interpreted this programme and concluded we should start to realise benefits in year 3. The programme also establishes what we will achieve within the timescales of the FCRIIP programme and we are confident we can deliver our outcomes and deliverables by programme end in 2027. A summary of the key milestones and deliverables is set out in the project plan in Appendix 6G.



## 6.7 Communications, stakeholder and community engagement

The approach to communications and engagement across all work packages will adopt a two-way symmetrical approach (systems theory), allowing for the development of ideas and the co-creation of progress, outputs and outcomes. We have stated previously that it is critical that our twin and pilot area communities feel they are the architects of change within their towns and villages and not its victims.

To allow for this co-creation, each work package will have a defined project level communications and engagement plan. This will include a comprehensive situation analysis (including stakeholder analysis), key messaging, communication risks and mitigation, tools and techniques, action planning and evaluation. Project level communication plans are supported by a strategic communications plan as set out in Appendix 2A.

Communications and engagement planning and delivery will broadly follow the Environment Agency's 'Working with Others' guidelines centred around the 'Engage, Deliberate and Decide' approach but with additional evaluation points. All engagement will be planned, conducted, and delivered in accordance with the Chartered Institute of Public Relations (CIPR) Code of Conduct, specifically adhering to the guidance around ethical communication. As required by each partner council, an Equality Impact Assessment will be completed for each pilot area.

However, it is anticipated that as the outputs of Work Package 4 become available, our planned approach may evolve. The initial literature review, looking at existing toolkits will offer additional insights, as will the development and roll out of the behavioural change toolkit. Our approach will be agile and allow for these developments to influence direction with the full involvement of our pilot communities, supported by continuous evaluation to ensure that we build in suitable time and capacity to review, reflect and refresh our approach. This is already evidenced by the initial engagement undertaken with partners, Elected Members and communities in pilot areas Thorpeness, Hemsby and Southwold, and twin area Pakefield. That engagement has led to the refinement of the products being developed in Work Package 4. Early indications are that targeted focus groups would be welcome and resourced through community involvement from existing groups.

The impacts of coastal change and the development of resilient communities in terms of health and well-being are an important element of the engagement planned with both pilot and twin communities. The research recently commissioned by the Environment Agency will be a welcome and referenced addition to the anecdotal evidence already collected. The involvement of the Clinical Commissioning Group for East Suffolk and Great Yarmouth will be critical in understanding how we might best support the communities at risk as part of this project.

Engagement with our communities and with partners and others will utilise a wide range of tools and approaches. Where it is possible, face-to-face engagement will be preferable. This will be achieved through a series of Forums, workshops, collaborative task and finish groups, broader drop ins and attendance at community group and parish meetings. Digital and virtual reality engagement will also play a critical role in engaging people. Virtual reality rooms, using gaming technology has proved successful during the pandemic and we will continue to enhance and develop these tools for use through the programme. Value-based digital surveys have proved exceptionally useful tools and again we will continue to develop those tools. Scenario based exercises as developed by the Environment Agency led projects in Hemsby and Caterham, will be further used as a tool to engage people in this work.

Virtual reality and augmented reality tools will be developed to engage the younger audience. These will be co-created with colleges in Lowestoft and Great Yarmouth, creating student Coastal



Ambassadors to help engage those in senior and primary schools. The legacy of this being a generation of student Coastal Ambassador roles embedded into schools like that of the Student Representatives model used in universities.

We understand that comprehensive and quality driven engagement is resource heavy. With this in mind we will be using a combination of new engagement posts, outside support from Groundwork, an organisation skilled in communication and engagement with communities, and the Community Voices approach which was pioneered by Eastern IFCA.

The in-house engagement specialists overseeing and supporting the project’s communication and engagement are all either working towards or hold a CIPR qualification. The programme’s strategic communications lead is a Chartered PR Practitioner, and the supporting lead is an Accredited PR Practitioner.

### 6.7a Outputs of the readiness assessment and Theory of Change

The readiness assessment completed for this project in Appendix 6H which provided some useful clarification of actions, particularly around partnerships, governance and engagement. Two workshops were held, resulting in objectives which have supported the work needed to draw together information for this outline business case. In addition, the findings provided a good basis to move forward to the Theory of Change workshops. It is those workshops and the subsequent action planning which have provided the greatest benefit to the development of our FCRM 7 and the outline business case.

Critical to supporting our planning and drawing together high-level actions from the readiness assessment outputs, is a summary of the Theory of Change outputs and cross referencing those with the findings from the assessment and workshop one and two outputs as set out above. (Figure 6.7.1)

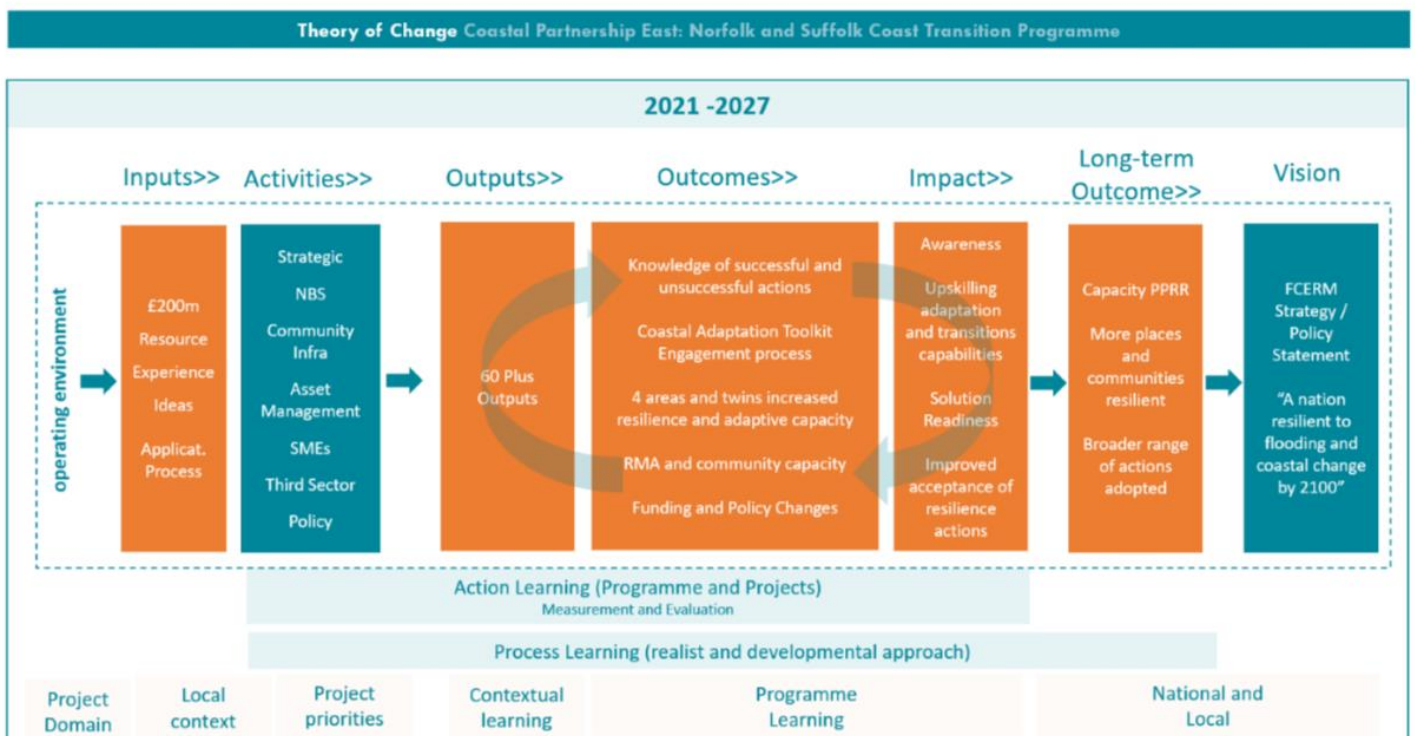


Figure 6.7.1 Summary of the Theory of Change workshops.

The objectives identified through the readiness assessment process and Theory of Change workshops were as follows:

- to establish, communicate and embed an agreed governance structure
- to develop a narrative for each pilot location which will enable a clear understanding of the aims and objectives of the programme
- to refocus and reshape the behavioural change toolkit to reflect community need. The original focus, pre workshops and readiness assessment was to develop a toolkit for practitioners. Findings and further community engagement revealed that its true value lay in providing a toolkit for communities to engage those who are disengaged by way of simple behavioural changes
- to complete a detailed stakeholder mapping exercise and BOWTIE communications risk assessment exercise which will form the basis of the strategic communications plan situation analysis.

Those objectives have now been met and either informed the strategic communications plan or, in the case of governance arrangements, this management case directly.

### 6.8 Risk management

Risk will be identified and managed using a risk register. Day to day management of risk will be undertaken by the project team while strategic risk management will be undertaken by the Resilient Coasts Board. The board will receive risk reports from the project team through the senior responsible officer and will be required to review and input into identification and management of risk. The key risks identified are summarised in below in Figure 6.8.1. A risk assessment is included in Appendix 3C. This risk assessment will be regularly reviewed as the project progresses.



Category	Risk Description	Potential Impact / Consequences	Mitigation
Political	Changes to Government and Priorities - Local	Engagement of new politicians could cause delays and increased costs.  Other local issues could compete for priority resulting in lack of support causing delays, lack of funding and increased costs.	Use CPE Board members and Senior Leadership teams to maintain political support and focus.  Maintain close relationship With National Agencies/Government Departments  Co-develop LA priorities for climate change / adaptation Levelling Up to embed project in wider LA agendas.
Economic	National economic event/crisis.	Increase in project costs could reduce benefit/cost ratio. Could lead to some undeliverable elements of the project.	Maintain a flexible approach to project elements. Ensure core activities are identified and delivered and additional added value deliverables can be flexed. Regular review points to consider project deliverables and agree with Board. Attract additional funding through good communication and engagement over the <u>project</u> .
Social	Major incident/weather events	Staff burnout/sickness leads to project delays and potential loss of funding. Other business activities may be affected due to staff being diverted to IRF programmes	Becoming More Proactive with Resources. FCRIP funding helps us to recruit additional resource to 'protect' programme delivery from incident response role. Developing tools / frameworks to minimise the need for reactive responses New ideas from new staff and our partners - knowledge sharing / innovation and broadening of capacity in/outside team.
	Unrealistic Expectations	Communities expect that the FCRIP funds will be used to 'defend' them	Through good engagement with existing pilot <u>communities</u> we have a Strategic Community Stakeholder group that can engage others on the projects behalf and demonstrate adaptive approaches work. We have demonstrable experience in managing challenging conversations and social media.

Category	Risk Description	Potential Impact / Consequences	Mitigation
Technical	Skills Gaps - Due to the significant projects in the area including Sizewell C, windfarms and other NSIP projects there is a huge demand on local resources and suppliers.	Lack of availability of suppliers and partners would impact the programme, costs and internal resource demands.	Technological Development and link to possible research funding New relationships and partners developed Early engagement with students and apprentices to get them involved in the project. Strategic pay and benefits discussions with LGA
Environmental	Limited Stakeholder Resources to provide <u>advise</u> and progress applications (including licences and consents)	Additional staff demands Delays to programme Increase to costs Stakeholders unable to review project information due to staffing/expertise limitations Perceived bias if we support stakeholders financially to participate.	Talk to stakeholders early in programme/design to reduce timelines/costs/etc Understand stakeholder challenges so we can better support them. Working with stakeholders (DEFRA) to put the right expertise in place so that tasks can be completed in a timely manner. Working with others to procure extra funding for the right people with the right skill sets.
Environmental	<u>Designations</u> constraints adaptation options	Proposed project activities unable to take place causing reputational damage, delays and increased costs.	We will evaluate the environmental benefits of allowing coastal change and adaptation solutions to determine how we work with designated areas and whether we can establish NEM mechanisms to attract funds and benefit both the environment and those at risk in MR/NAI areas.

Figure 6.8.1 Table summarising key risks during the Resilient Coasts project 2022-2027

Category	Risk Description	Potential Impact/Consequences	Mitigation
Political	Loss of political support	Loss of support due to competing political needs or interest in the topic area	Strong national linkages through the LGA Coastal SIG to lobby political members and embed coast in national political thinking FCERM Strategy and Action Plan, LGA SIG and CGN workplans all have coastal adaptation and resilience actions to deliver SMP refresh supported politically locally through buy-in and embedded in Local plans
Economic	Time-limited funding or cash-limited funding streams	Previous and current funding regimes have been limited in scope or only available over a short-term period and therefore unable to support adaptation longer term	Investment in future innovative funding and finance solutions to ensure a legacy beyond the FCERP funds we have been allocated. Development of new adaptation funding tools to ensure we shift reliance away from FDGIA and deliver wider benefits and greater resilience.
Social	Lack of strategic engagement  Lack of community support for change	Inability to resource strategic messaging about coastal change and risk. Limited to the communities and individuals where reactive erosion situations are occurring. Limited opportunity to raise broader awareness and accelerate coastal adaptation in a planned way.  Communities facing immediate erosion risk unable to engage over the concepts of adaptation as no real options to support them	To embed a greater awareness of erosion and coastal risk we will engage at community scale to ensure legacy at each of the pilot locations and the delivery of long term masterplan  We will communicate at a strategic level to ensure our coastal communities, businesses and partners have a basic level of awareness and understanding upon which we can build further conversations and roll out our adaptation framework going forward.

			Working with communities who have had time to process risk issue and engage over potential options- willing to embrace resilience and adaptation approach.
Technical	No design innovation	Technical solutions have not kept pace with the speed of change on our eroding coast. Funding for innovative approaches limited or unavailable. Consents and licences are challenging for new ideas	Our project will encourage design innovation in new short term defence solutions and consider more flexible options that can be used in temporary community-led approaches over 5-10 year periods to buy time to adapt. .
Legal	Lack of coastal policy framework	Inability to attract funding and resource and deliver adaption on the ground	New FCERM strategy and Defra policy providing the framework. FCERIP funds will support innovative delivery to inform, shape and influence policy and strategy going forward- via the programme team, LGA Coastal SIG and CGN creates a long-term policy legacy to support national adaptation and resilience at the coast.
Environmental	Lack of environmental options for eroding frontages	Currently no biodiversity net gain mechanisms agreed for eroding frontages. Little or no natural capital evaluation and therefore limited beneficiaries mapping to attract funds for natural coastal management on open coast. No parity with NFM framework. No formal mechanisms to readily support SMP NAI or MR policies	Our project will value the natural capital and map potential benefits and beneficiaries to support funding discussions – potentially funding decommissioning of assets and allowing environmental enhancements.

**Figure 6.8.1 Table summarising key risks during the Resilient Coasts project beyond 2027**

### 6.9 Managing change within the project

The Resilient Coasts Board will be ultimately responsible for managing change within the project. There will be several key decision points as each work package progresses, which will provide the opportunity to review and adjust the work package components to account for new or revised information, such as more accurate cost information, consenting requirements and availability of additional funding streams.

Change management, where linked to a specific contract, will be as per the chosen procurement frameworks. This is likely to be, but not limited to: NEC 4, Scape, Public Sector Co-operation Agreements and Coastal Partnership East’s Dynamic Purchasing System, and as set out in the Contract management section below. Change management regarding FCERM GiA, will be completed as required through the Environment Agency FCERM guidance and in collaboration with the Environment Agency’s FCERIP supporting team.

Changes to the project will be reported to East Suffolk Council’s Cabinet (for design on key changes) and Great Yarmouth Borough Council’s Environment Committee (for information) to ensure greater transparency and scrutiny.

#### **Managing change caused by the project**

This project differs from a standard outline business case in that it does not focus on the progression of a scheme where the potential for change is critically identified by the contractor or consultant. The very nature of the FCERIP programme is to create and manage a change. This project at its core, seeks to manage change on the coast, moving from the current reactive position to a proactive managed approach. However, whilst that change of approach on the coast is the predicated outcome of the project, it is acknowledged that the development of project actions has implications for the project itself. These are likely to be but not limited to:

Area of Change	Mitigation/action
Social- resistance to change in coastal communities	Visualisation of risks to help people understand the need. Willing communities already signed up so we will get learning. Existing fora to share good practice and build resilient communities
Technical	New design options

However, that change may be resisted or be unpalatable to the twin and pilot areas affected. It is therefore essential to be adequately prepared for these challenges. The comprehensive risk assessment provided as an appendix to the management case captures reputation risk and the risk that pilot communities have expectations over and above what this programme is able to deliver.

As with managing change within the project, managing change caused by the project will ultimately be the responsibility of the FCRIP Board. Where the change specifically identified above forms part of a formal contract, then mitigating actions to manage that change will be addressed appropriately in the contract framework.

#### 6.10 Contract management

As lead authority, East Suffolk Council will be the employer for the purposes of all contracts through the chosen procurement frameworks. This is likely to be, but not limited to; NEC 4, Scape, Public Sector Co-operation Agreements and Coastal Partnership East's Dynamic Purchasing System.

East Suffolk Council will appoint a senior responsible officer (as mentioned in 3.1.2 project roles and responsibilities) to be the project representative who will report to the Resilient Coasts Board and will continue to be responsible for the delivery of the project. As stated in section 3.3.1, it will be necessary to agree the tolerances of change with the FCRIP Board.

#### 6.11 Assurance

The development of the project, including all of the preceding feasibility and project outline work, has undergone scrutiny from a number of sources at key decision points.

This included:

- elected Members of both East Suffolk Council and Great Yarmouth Borough Council
- senior officers at both East Suffolk Council and Great Yarmouth Borough Council
- Coastal Partnership East Board
- Coastal Partnership East Operating Officer Group
- key partners and stakeholders
- Pilot area community groups
- Specialist contractors and consultants
- Key academic institutions (University of East Anglia)



Each party provides direct project assurance through membership and input into the Resilient Coasts Board, Strategic Steering Group and Key Stakeholder Group. Additional assurance is provided, for key decisions, by East Suffolk Council's Cabinet and Great Yarmouth Borough Council's Environment Committee. Additional scrutiny is provided by Audit and Scrutiny Committees at County, District, and Borough level. Project Evaluation Review (PER) is undertaken and integrated into the Project Management Consultants and Main Works Contract tender and contracts for consultants and contractors as part of the appropriate work packages. Following completion of the project a final review will be undertaken in year 6 to evaluate how well the project was managed and delivered compared with expectations. This will include identification of 'quick wins' that may benefit others and will also capture lessons learnt to assist with informing future projects.

## 6.12 Innovation and learning: monitoring, evaluation and dissemination

### 6.12a Post project evaluation

With the breadth and variety of work packages included in the Resilient Coasts Project it would be challenging to identify one method of post project evaluation. All will be measured on impact, but that impact may be, to a lesser or greater extent, more apparent and a longer programme of post project evaluation may be beneficial. For example, behavioural change, master planning and community resilience may take longer to complete than the FCRIIP programme allows for and, communities without continued support, may not complete the journey. Therefore, the legacy of this project and its evaluation beyond FCRIIP timelines needs careful consideration. A further programme of evaluation will be developed with each work package as the project develops and needs become clearer – **we intend to employ RPA to progress a more detailed plan by Autumn 2022.**

### Social value

Under the Social Value Act 2012, local authorities are required to demonstrate the value delivered in the locality of a project spend as a result of public money spent – referred to as social value. The Resilient Coasts Project will use the national TOMs framework, which stands for **Themes, Outcomes and Measures**. This aims to provide a minimum reporting standard to help buyers measure and justify the pursuit of social value outcomes in their contracts. It provides a robust, transparent and defensible solution for assessing and awarding tenders.

### Evaluating communications and engagement

Based upon the Government Communication Network, the Barcelona Principles and the CIPR evaluation measures playbook, Coastal Partnership East has developed its own evaluation tree mechanism to measure outputs from communications and engagement with coastal communities. In addition, our digital and social media channels, including virtual engagement tools, have comprehensive analytics which enable us to assess whether we are reaching the right demographic and to review, reflect and refresh any approaches.

The Community Voices approach pioneered by the Inshore Fisheries and Conservation Authorities in East Anglia will be used to establish a baseline for community involvement, engagement and attitude. This approach has a series of metrics which calculates, using feedback from our pilot and twin areas, the attitude and appetite of a community to engage in coastal adaptation/transition and areas of resistance, concern and change. A repeat of the measurement will be carried out in year 5 to provide a measurement of movement/change. Added to this will be physical feedback from our pilot and twin areas; partners and supporting partners that will shape how we progress as we co-create our work packages.

### Measuring and evaluating place-based resilience

To enable us to effectively measure improvements in resilience an initial baseline will be undertaken using the Zurich Flood Alliance approach and methodology. This is led and supported by the London School of Economics and although widely used internationally, was first piloted in the UK in Lowestoft. The table below shows the objectives over the course of the project, the outputs and how this influences each stage of the establishment and improvement of place-based resilience levels.

Year(s)	Objective	Output
Years 1 & 2	Establish initial resilience level baseline: Workshops – community, businesses, partner and responder Surveys as above Collection and examining of flood risk/erosion risk data from existing sources.	Baseline resilience established. Action plans in place
Years 3 & 4	Action plan recommendations embedded into pilot area plans across all work packages.	Pilot area work package plans reflect resilience actions. Evaluation points in work package plans include progress against actions. Master plans demonstrably include resilience actions.
Year 5	Re-evaluation of resilience baseline. Workshops – community, businesses, partner and responder Surveys as above	Current resilience level established. Further actions and recommendations identified. Action plans updated
Year 6	Embed further actions and recommendations into Master Plan progress in pilot areas. Map across learning and outputs to twin project areas.	Clear directional actions have shaped the pilot area Masterplans and an improvement in level of resilience can be demonstrated based upon a firm initial baseline.  Clear directional actions will shape twin area Master Plans and a baselining of resilience, where this doesn't exist, will be established to ensure future progression to a position of evidence-based improved resilience.

**Figure 6.12.1 Summary of Resilient Coasts project objectives by year.**

### 6.13 Contingency plans

The innovative nature of this project and its basis in co-creation between communities and partners, financial budgets will be actively managed. This will enable teams to flex financial resources and utilise them where they will provide the most benefit the programme and learning outputs.

A 30% OB has been applied to project costs in addition to a 20% risk allowance.



**CABINET**  
**Tuesday, 11 July 2023**

<b>Subject</b>	Appointments to Southwold Harbour Management Committee (SHMC)
<b>Report by</b>	Councillor Caroline Topping, Leader of the Council
<b>Supporting Officers</b>	<p>Chris Bing Head of Legal and Democratic Services and Monitoring Officer</p> <p>Kerry Blair Head of Operations</p> <p>Andrew Jarvis Strategic Director</p>

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is <b>NOT</b> in the public interest to disclose the exempt information.	Not applicable
<b>Wards Affected:</b>	Southwold

## Purpose and high-level overview

**Purpose of Report:**

To approve the appointment of members to the Southwold Harbour Management Committee (SHMC).

**Options:**

The SHMC must have five Councillors appointed to it, in accordance with its Terms of Reference. Therefore, not to make appointments is not a realistic option and with that in mind, no other options have been considered.

**Recommendation/s:**

That the appointment of Councillor David Beavan, Councillor Paul Ashton, Councillor Jan Candy, Councillor Toby Hammond and Councillor Lee Reeves to the Southwold Harbour Management Committee be approved.

## Corporate Impact Assessment

**Governance:**

The SHMC was established in June 2021, and the Terms of Reference provide for five Councillors to be appointed to the Committee alongside four co-opted members.

**ESC policies and strategies that directly apply to the proposal:**

East Suffolk Council's Strategic Plan

**Environmental:**

The SHMC must act in the best interests of the Port, which includes ensuring its long-term sustainability and success. Environmental factors are considered in the decision making.

**Equalities and Diversity:**

No impact

**Financial:**

The costs of administration are absorbed by the Democratic Services/Members budget, in the same way as any other committee.

**Human Resources:**

There are no HR implications for the organisation.

**ICT:**

No impact.

**Legal:**

Southwold Harbour Management Committee functions as Executive Advisory Committee pursuant to s102(4) of the Local Government Act 1972, making recommendations to the Leader of the Council or Cabinet. The Committee manages the Harbour in accordance with the provisions of the Harbours Act 1964, the Southwold Harbour Order 1933 and the Harbour Docks and Piers Clauses Act 1847 (as incorporated), as amended from time to time.

**Risk:**

Members must comply with the Council's Code of Conduct and declare an interest in any business as necessary.

**External Consultees:**

Click or tap here to enter text.

## Strategic Plan Priorities

Select the priorities of the <a href="#">Strategic Plan</a> which are supported by this proposal: <i>(Select only one primary and as many secondary as appropriate)</i>		Primary priority	Secondary priorities
<b>T01</b>	<b>Growing our Economy</b>		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P02	Attract and stimulate inward investment	<input type="checkbox"/>	<input type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P05	Support and deliver infrastructure	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>T02</b>	<b>Enabling our Communities</b>		
P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P07	Taking positive action on what matters most	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P08	Maximising health, well-being and safety in our District	<input type="checkbox"/>	<input type="checkbox"/>
P09	Community Pride	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>T03</b>	<b>Maintaining Financial Sustainability</b>		
P10	Organisational design and streamlining services	<input type="checkbox"/>	<input type="checkbox"/>
P11	Making best use of and investing in our assets	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P12	Being commercially astute	<input type="checkbox"/>	<input type="checkbox"/>
P13	Optimising our financial investments and grant opportunities	<input type="checkbox"/>	<input type="checkbox"/>
P14	Review service delivery with partners	<input type="checkbox"/>	<input type="checkbox"/>
<b>T04</b>	<b>Delivering Digital Transformation</b>		
P15	Digital by default	<input type="checkbox"/>	<input type="checkbox"/>
P16	Lean and efficient streamlined services	<input type="checkbox"/>	<input type="checkbox"/>
P17	Effective use of data	<input type="checkbox"/>	<input type="checkbox"/>
P18	Skills and training	<input type="checkbox"/>	<input type="checkbox"/>
P19	District-wide digital infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T05</b>	<b>Caring for our Environment</b>		
P20	Lead by example	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P21	Minimise waste, reuse materials, increase recycling	<input type="checkbox"/>	<input type="checkbox"/>
P22	Renewable energy	<input type="checkbox"/>	<input type="checkbox"/>
P23	Protection, education and influence	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>XXX</b>	<b>Governance</b>		
XXX	How ESC governs itself as an authority	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**How does this proposal support the priorities selected?**

The appointments to the SHMC enable the Committee to undertake its duties as stated in its Terms of Reference.

The appointment of Councillors to the Committee will also support any plans to develop or renovate the built environment of the Southwold Harbour Lands, to attract inward

investment, maximise its economic development and support the delivery of infrastructure.

## Background and Justification for Recommendation

1 Background facts	
1.1	At a meeting of East Suffolk Council's (ESC) Cabinet which was held simultaneously with a meeting of Southwold Town Council (STC), on 2 March 2021, it was agreed by both the Cabinet and STC to establish a Southwold Harbour Management Committee (SHMC) for the Southwold Harbour lands.
1.2	The first meeting of the SHMC was held on 8 July 2021 and since that meeting, the Committee has, to date, met on a further 12 occasions.
1.3	The purpose of the SHMC is to make recommendations to the Leader of the Council or Cabinet, whose consent to the Committee's recommendations shall not be unreasonably withheld or delayed.
1.4	Following the local elections in May 2023, five Councillors need to be appointed to the Committee

2 Current position	
2.1	It is proposed that the following East Suffolk Councillors and Cabinet Members be appointed to the SHMC. They are Councillor David Beavan, Councillor Paul Ashton, Councillor Jan Candy, Councillor Toby Hammond and Councillor Lee Reeves. A skills audit has been undertaken of the five councillors it is proposed sit on the SHMC. The audit demonstrates that the councillors collectively have the knowledge, skills and experience required. The skills matrix is attached as Appendix A to this report.
2.2	The previous HMC appointed four co-opted members. Co-opted members were selected because they provided specialist skills that were not easily available to elected HMC members.
2.3	The key skills required for the first period of the HMC's operation were considered to be: <ol style="list-style-type: none"> <li>1. Risk Management and Mitigation (particular focus on Coastal defence, flood protection and mitigation (including knowledge of the Environment Agency) climate change, health and safety and marine engineering)</li> <li>2. Knowledge of and management of ports / harbours</li> <li>3. Business Planning / Financial (including securing grant or other funding)/ organisational / strategic planning and management.</li> <li>4. Knowledge of local stakeholders including the local community (e.g. local authorities, residents, businesses, commercial users, leisure users, caravan site owners, visitors, Blyth estuary)</li> <li>5. Management / development of property / facilities (and in particular caravan site operation and tourism)</li> <li>6. Communications, marketing and consultation</li> </ol>
2.4	Because of the skillset of the previous make-up of the SHMC, the focus was on appointing people with a strong background in ports and logistics. Co-opted members were appointed on the following terms of office: <ul style="list-style-type: none"> <li>• John Ogden – appointed until July 2024</li> <li>• Mike Pickles -appointed until July 2025</li> </ul>

	<ul style="list-style-type: none"> <li>David Gledhill and Richard Musgrove – appointed to July 2026</li> </ul> <p>As these terms come to an end, a recruitment process will commence, which will be based on a skills audit carried out by the current HMC membership. Profiles of the co-opted members are at Appendix B.</p>
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### 3 How to address current situation

3.1	The Councillors need to be appointed to the SHMC so that it can continue to carry out its work.
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### 4 Reason/s for recommendation

4.1	Cabinet is asked to approve the appointment to the SHMC of the East Suffolk Councillors referred to in paragraph 2.1 above.
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## Appendices

### Appendices:

<b>Appendix A</b>	Skills matrix of councillor nominees
<b>Appendix B</b>	Profiles of co-opted members

### Background reference papers:

None
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## HMC Skills Audit

Key Skills	DB	TH	PA	JC	LR
Risk Management and Mitigation (particular focus on Coastal defence, flood protection and mitigation (including knowledge of the Environment Agency) climate change, health and safety and marine engineering)	Y	Y	Y	Y	Y
Knowledge of and management of ports / harbours	Y	/	/	Y	Y
Business Planning / Financial (including securing grant or other funding)/ organisational / strategic planning and management.	Y	Y	Y	Y	/
Knowledge of local stakeholders including the local community (e.g. local authorities, residents, businesses, commercial users, leisure users, caravan site owners, visitors, Blyth estuary)	Y	Y	Y	Y	/
Management / development of property / facilities (and in particular caravan site operation and tourism)	/	Y	/	Y	/
Communications, marketing and consultation	Y	Y	Y	Y	/
Local industrial, commercial or financial matters	/	/	/	Y	/
Management of marine leisure activities	Y	/	/	Y	/
Personnel management	Y	Y	Y	Y	Y
Environmental matters	Y	Y	/	Y	/
Legal	/	/	/	/	Y
Shipping and other forms of transport	Y	/	/	/	Y
General maritime or other nautical experience	Y	/	/	Y	Y

Key Skills		
<p>Risk Management and Mitigation (particular focus on Coastal defence, flood protection and mitigation (including knowledge of the Environment Agency) climate change, health and safety and marine engineering)</p>		<p><b>DB</b> Four years chair of local flood and coastal protection board. Chair of Suffolk Coastal Forum. Vice chair of Blyth Estuary Group and SCAR.</p> <p><b>TH</b> History of work with the Environment Agency. Masters degree in Sustainable Development including Climate change. Cabinet Member for Economic Development and Transport.</p> <p><b>PA</b> For most of my career risk management and mitigation has been an important part of my roles. I have a good understanding of the principles.</p> <p><b>JC</b> Member of Suffolk Coast Forum, the Environment Task force and local authority Climate Emergency Group. I have extensive knowledge about climate change and have been the lead scientist in projects related to education about climate change.</p> <p><b>LR</b> I have a general background in risk management and insurance from a maritime industry perspective but not direct experience in flood management and coastal defences.</p>
<p>Knowledge of and management of ports / harbours</p>		<p><b>DB</b> 25 years professional skipper.</p> <p><b>TH</b> None.</p> <p><b>PA</b> I only have limited knowledge of ports and harbours.</p> <p><b>JC</b> Former user and member of Suffolk Yacht Harbour, Fox's Marina and Woolverstone Marina. Holder of a marine VHF licence giving an understanding of the correct use of radio channels and their usage within Port and Harbour environments.</p> <p><b>LR</b> Have visited many of the worldwide major cargo ports in a working capacity when negotiating terminal contracts and requirements together with industry colleagues.</p>
<p>Business Planning / Financial (including securing grant or other funding)/ organisational / strategic planning and management.</p>		<p><b>DB</b> Ran a £350k lottery funded sail training programme in Lowestoft 2012 to 2020.</p> <p><b>TH</b> Founder and Managing Director of two successful renewable energy businesses since 2006, for which raised over £4m of grant and equity capital.</p> <p><b>PA</b> I have a good understanding of business, organisational and strategic planning.</p> <p><b>JC</b> I have secured funding for a development project which included water and soil management. I strategically planned and managed this project</p> <p><b>LR</b></p>

<p>Knowledge of local stakeholders including the local community (e.g. local authorities, residents, businesses, commercial users, leisure users, caravan site owners, visitors, Blyth estuary)</p>	<p><b>DB</b> Ward councillor. Chair of Save our harbour pressure group. Member fo harbour users group. Rep for charter businesses on advisory group  <b>TH</b> Owner of local tourism business and renewable energy business.  <b>PA</b> I am the member for Wrentham, Wangford and Westleton so I have knowledge of some stakeholders. Building relationships with stakeholders is something I am used to, so I expect to be able to plug any gaps quite quickly.  <b>JC</b> As a Member of a Local Authority I sit on many local community bodies which have both commercial and charitable status. I am a Trustee of a Nature Reserve.  <b>LR</b></p>
<p>Management / development of property / facilities (and in particular caravan site operation and tourism)</p>	<p><b>DB</b> No idea.  <b>TH</b> Longstanding interest and experience in property development and especially restoration.  <b>PA</b> I don't have specific knowledge of this.  <b>JC</b> I have been involved in land acquisition for a Sustainability Project and an art/tourist installation of securing beach huts into the sea to promote knowledge of site specific coastal erosion for locals and tourists.  <b>LR</b></p>
<p>Communications, marketing and consultation</p>	<p><b>DB</b> Political experience.  <b>TH</b> Heavily involved in communications and marketing through my business interests.  <b>PA</b> In my past career I was closely involved with managing communications to consumers so I have an appreciation of communications and marketing.  <b>JC</b> I have been a presenter on local radio and I Chaired a Committee for the United Nations which involved communicating and consulting with a vastly differing cohort of people speaking many languages.  <b>LR</b></p>
<p><b>Other Skills</b></p>	
<p>Local industrial, commercial or financial matters</p>	<p><b>DB</b>  <b>TH</b>  <b>PA</b>  <b>JC</b> I work with groups and individuals guiding them through the different grant applications. I have designed and developed many industrial designs. I hold a patent for one of my industrial designs.  <b>LR</b></p>



<p>Management of marine leisure activities</p>	<p><b>DB</b> See above.  <b>TH</b>  <b>PA</b> No experience.  <b>JC</b> A client and user of marine facilities with vessels ranging from mirror dinghies ,ocean-going yachts and motor yachts. I have experienced many examples of marine leisure activities.  <b>LR</b></p>
<p>Personnel management</p>	<p><b>DB</b> Employed people in businesses.  <b>TH</b> Founder and MD of company with 40 staff, experienced in people management.  <b>PA</b> I am cabinet member for corporate services which include HR.  <b>JC</b> As a former President of the UK section of a UN accredited Human Rights Organisation and a former Regional Trainer with Amnesty International I have much experience in Personnel Management across many nationalities and languages.  <b>LR</b> In previous employment was responsible for managing a team of full time and part-time staff across Europe providing full technical and training support to those staff and more general training in basic maritime law and contracts to all customer - facing staff in Europe.</p>
<p>Environmental matters</p>	<p><b>DB</b> MSc in Environmental Science.  <b>TH</b> Degrees in Environmental Biology and Sustainable Development. Longstanding personal interest in environmental matters especially water quality protection, aquatic biodiversity etc.  <b>PA</b> I have a keen interest but no specific skills.  <b>JC</b> With a Science degree in Sustainable Development with Natural Resources - including coastal erosion, estuary management and oceanography - most of my working life has been involved in caring for, working with and saving our natural environment. The outside bodies I sit on reflect this passion.  <b>LR</b></p>
<p>Legal</p>	<p><b>DB</b> no.  <b>TH</b>  <b>PA</b> None.  <b>JC</b> I always defer to those with more legal knowledge than myself.  <b>LR</b> Familiar with the main international treaties and regulations relating to the carriage of goods by sea, road and air. Represented my company in domestic and international court cases and have also acted as an expert witness.</p>

Shipping and other forms of transport	<p><b>DB</b> See above.</p> <p><b>TH</b></p> <p><b>PA</b> None.</p> <p><b>JC</b></p> <p><b>LR</b> Worked in the maritime industry for more than 35 years mainly in relation to cargo operations, maritime law and dispute or contract negotiations. Former Chair of a UK container trades organisation which was one of the Govt consultees on changes to maritime law and regulation. Responsible on a day-to-day basis for incident management, dealing with both customers and other parties to resolve legal or contractual issues. Previously also dealt with personal injury and industrial disease cases in the maritime industry.</p>
General maritime or other nautical experience	<p><b>DB</b> 25 years freelance RYA Yachtmast Instructor and skipper. UK and Europe. Also Rya instructor for windsurfing, powerboats and dinghies. Skipper for various Tallships race from Baltic to Spain, 1998 to 2020. Deliveries across Atlantic, to Med and Indian Ocean.</p> <p><b>TH</b></p> <p><b>PA</b> None.</p> <p><b>JC</b> I have a Day Skipper’s Certificate which gave me knowledge of shipping navigation both electronically and using the appropriate paper chart.</p> <p><b>LR</b> In my previous employment responsible for managing a pan-European team of both full time and part-time employees responsible for dealing with issues involving cargo and vessel integrity and safety, risk management of assets, liaison with contractors and insurers of all types. Very familiar with maritime documentation such as Bills of Lading, charter parties, terminal contracts, and road haulage agreements (both international and UK based).</p>
<p>In addition, when undertaking HMC business, all HMC members will be expected to actively seek to resolve challenges presented to the HMC through working together in a positive and constructive manner. As such team working and problem solving are important skills for all HMC members.</p>	
Any other relevant information:	<p><b>DB</b></p> <p><b>TH</b></p> <p><b>PA</b></p> <p><b>JC</b> I have a Masters Degree in Creative Entrepreneurship which has shown me how to think creatively to solve a problem – or many problems.</p> <p><b>LR</b></p>

## Appendix B

**Co-opted Members of the HMC**David Gledhill

David has a 40 year career in Logistics, Ports, Warehousing and Freezones including holding the position of Chief Executive at Hutchinsons Ports UK, which own the Ports of Felixstowe and Harwich. As a result of this David has a very good understanding of Port Management, operations and the legislative framework in which ports operate. He has overseen large port infrastructure projects in three continents including environmental mitigation, sea wall construction and flood defences. In his position as Chief Executive of Salalah Port and Freezone in Oman, he was responsible for a very successful tourist centre and cruise terminal, growing the business by more than 300%.

Richard Musgrove

Richard qualified as a Master Mariner in the Merchant Navy in 1986 before returning to Lowestoft in 1987 taking a role as Assistant Harbour Master at the Port of Lowestoft. Over the next 30 years Richard worked as a Vessel Traffic Manager at Harwich Haven Authority, a Harbour Pilot, Harbour Master and Operators Manager. He has also been a Port Authority Board member in Great Yarmouth and undertook the British Port Associations training course for Port Authority Board members. More recently Richard has sat on the LFRMP Strategic Board on behalf of ABP, working to bring forward the flood walls and barriers in Lowestoft.

Mike Pickles

Mike has worked at Southwold Harbour as a boat builder and foreman for Harbour Marine Services for the last 10 years. He is responsible for Health and Safety within his current role and is skilled in all aspects of marine engineering, repairs, construction and refurbishment of marine craft. His previous roles have also given him personnel and financial management experience. Mike has extensive local knowledge and is incredibly passionate about Southwold Harbour. He is also a sailor of international repute, having experience of blue water sailing and success at National and European Championship level.

John Ogden

John spent 34 years in the Armed Forces where he was involved in operational command, training provision, change programme delivery, equipment acquisition and support, and considerable board and committee work. He then worked as a consultant in Department for International Trade and as self-employed advisor. John is also a Commercial Skipper for River Cruise Restaurants and Suffolk River Trips on Alde, Ore and Deben; Commodore of Royal Armoured Corps Yacht Club 2009-2016; Class Captain at Waldringfield Sailing Club 2019-present and a qualified RYA Yachtmaster Offshore with 40+ years of extensive cruising and racing experience in UK and abroad using numerous different ports and yachting facilities.



**CABINET**  
**Tuesday, 11 July 2023**

<b>Subject</b>	Quarterly Southwold Harbour Update
<b>Report by</b>	Councillor Kay Yule, Cabinet Member with responsibility for Planning and Coastal Management
<b>Supporting Officer</b>	<p>Andrew Jarvis Strategic Director <a href="mailto:Andrew.jarvis@eastsoffolk.gov.uk">Andrew.jarvis@eastsoffolk.gov.uk</a></p> <p>Kerry Blair Head of Operations <a href="mailto:Kerry.blair@eastsoffolk.gov.uk">Kerry.blair@eastsoffolk.gov.uk</a></p> <p>Alastair MacFarlane General Manager Southwold Harbour and Lands <a href="mailto:alastair.macfarlane@eastsoffolk.gov.uk">alastair.macfarlane@eastsoffolk.gov.uk</a></p>

Is the report Open or Exempt?	Open
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<b>Wards Affected:</b>	Southwold
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## Purpose and high-level overview

**Purpose of Report:**

To provide Cabinet members with an update of activity and work relating to the management of Southwold Harbour.

**Options:**

ESC Cabinet are the Duty Holder for Southwold Harbour and are required to receive regular updates on the Harbour, as such there are no alternative options.

**Recommendations:**

That Cabinet read and note the content of the report at appendix A.

## Corporate Impact Assessment

**Governance:** Cabinet is the nominated 'Duty Holder' for the harbour and there is a requirement under the Port Marine Safety Code for a report on the harbour to be presented at least annually to the Duty Holder.

**ESC policies and strategies that directly apply to the proposal:**

Strategic Plan

**Environmental:**

There are no impacts.

**Equalities and Diversity:**

There are no impacts.

**Financial:**

There are no financial impacts.

**Human Resources:**

There are no HR impacts.

**ICT:**

There are no ICT impacts.

**Legal:**

There are no legal impacts.

**Risk:**

Compliance with the Port Marine Safety Code acknowledges that ESC is following UK Government Guidance and adopting industry best practice.

**External Consultees:**

ABP Mer are Southwold Harbour's Designated Person as required by the Port Marine Safety Code .

	Ashfords LLP are Southwold Harbour’s legal representative in relation to the drafting and application of a Harbour Revision Order.
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## Strategic Plan Priorities

Select the priorities of the <a href="#">Strategic Plan</a> which are supported by this proposal: <i>(Select only one primary and as many secondary as appropriate)</i>		Primary priority	Secondary priorities
<b>T01</b>	<b>Growing our Economy</b>		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P02	Attract and stimulate inward investment	<input type="checkbox"/>	<input type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P05	Support and deliver infrastructure	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>T02</b>	<b>Enabling our Communities</b>		
P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P07	Taking positive action on what matters most	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P08	Maximising health, well-being and safety in our District	<input checked="" type="checkbox"/>	<input type="checkbox"/>
P09	Community Pride	<input type="checkbox"/>	<input type="checkbox"/>
<b>T03</b>	<b>Maintaining Financial Sustainability</b>		
P10	Organisational design and streamlining services	<input type="checkbox"/>	<input type="checkbox"/>
P11	Making best use of and investing in our assets	<input type="checkbox"/>	<input type="checkbox"/>
P12	Being commercially astute	<input type="checkbox"/>	<input type="checkbox"/>
P13	Optimising our financial investments and grant opportunities	<input type="checkbox"/>	<input type="checkbox"/>
P14	Review service delivery with partners	<input type="checkbox"/>	<input type="checkbox"/>
<b>T04</b>	<b>Delivering Digital Transformation</b>		
P15	Digital by default	<input type="checkbox"/>	<input type="checkbox"/>
P16	Lean and efficient streamlined services	<input type="checkbox"/>	<input type="checkbox"/>
P17	Effective use of data	<input type="checkbox"/>	<input type="checkbox"/>
P18	Skills and training	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P19	District-wide digital infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T05</b>	<b>Caring for our Environment</b>		
P20	Lead by example	<input type="checkbox"/>	<input type="checkbox"/>
P21	Minimise waste, reuse materials, increase recycling	<input type="checkbox"/>	<input type="checkbox"/>
P22	Renewable energy	<input type="checkbox"/>	<input type="checkbox"/>
P23	Protection, education and influence	<input type="checkbox"/>	<input type="checkbox"/>
<b>XXX</b>	<b>Governance</b>		
XXX	How ESC governs itself as an authority	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>How does this proposal support the priorities selected?</b>			
Quarterly updates ensures that the Cabinet is kept apprised of developments and ensures they are able to undertake their governance role.			
<b>East Suffolk Council is the Statutory Harbour Authority for Southwold Harbour.</b>			

There is a requirement for Southwold Harbour/ESC as a Statutory Harbour Authority to comply with the Port Marine Safety Code and a Guide to Good Practice on Port Marine Operations

## Background and Justification for Recommendation

1 Background facts	
1.1	Priority has been given to matters of marine compliance and the application of a Harbour Revision Order.
1.2	This report sets out the actions that have been taken to ensure that the harbour operation is compliant with the Port Marine Safety Code and other regulations.

2 Current position	
2.1	Significant progress has been made – as set out in the attached report – on compliance within the harbour.
2.2	This work has been carried out by the Harbour Manager since his appointment in 2022.
2.3	The Harbour Manager is leaving his post in June 2023. Because of difficulties recruiting a Harbour Manager with a background in port logistics (two recruitment processes were run unsuccessfully before the current manager was appointed directly via the HMC) – the decision has been taken to add capacity to the asset management team through the appointment of a new Estate Manager with responsibility for Southwold Harbour assets.

3 How to address current situation	
3.1	Cabinet should read and note the contents of this report and point 2.3 above on future management of the harbour.

4 Reason/s for recommendation	
4.1	To ensure compliance with the Port Marine Safety Code.

## Appendices

Appendices:	
Appendix A	Harbour Operations Quarterly Report

Background reference papers:		
Date	Type	Available From
	Port Marine Safety Code	<a href="https://www.publishing.service.gov.uk">Port Marine Safety Code (publishing.service.gov.uk)</a>

	A Guide to Good Practice On Port Marine Operations	<a href="http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/362222/Port_marine_operations_good_practice_guide_-_GOV.UK.pdf">Port marine operations: good practice guide - GOV.UK (www.gov.uk)</a>
	Ports Good Governance Guidance	<a href="http://www.gov.uk/government/uploads/system/uploads/attachment_data/file/362222/Good_governance_guidance_for_ports_-_GOV.UK.pdf">Good governance guidance for ports - GOV.UK (www.gov.uk)</a>





## HARBOUR OPERATIONS QUARTERLY REPORT

### SOUTHWOLD HARBOUR JULY 11 2023

#### 1.BACKGROUND

##### A) Ports Good Governance Guidance (Municipal Ports Review)

The Department for Transport (DfT) published the Ports Good Governance Guidance in March 2018 which focuses on corporate governance for all statutory harbour authorities in England. It includes sections relevant to all types of ports with specific detailed guidance on trust and local authority owned ports. This guidance is for all ports and harbours irrespective of whether they are managed as a trust, municipal or private port.

Section 4: Guidance for Local Authority Owned Ports (Part C) is of specific interest.

ESC set up the Southwold Harbour Management Committee (HMC) in July 2021, following agreement between the Southwold Harbour Lands Joint Committee and East Suffolk Council's Cabinet.

The HMC acts in the best interests of the harbour and Southwold Caravan Site, to ensure their long-term sustainability and success.

The HMC consists of 9 Members, 5 Councillors and 4 Co-opted members. HMC meetings are held in public.

The Stakeholder Advisory Group (SAG) was established in late 2021 as part of the Southwold Harbour Committee relations with local stakeholders and to ensure that all user groups are given an equal platform in which to voice their views for the betterment of the harbour and caravan site.

- The SAG consists of up to 18 appointed representatives.
- The SAG meetings are not open to the public.

##### B) Port Marine Safety Code

East Suffolk Council, as the Statutory Harbour Authority, is implementing the requirements of the PMSC which offers a national standard for port safety in the UK with the aim to

"improve safety for those who use or work in ports, their ships, passengers and cargoes, and the environment".

The PMSC is not mandatory and does not create any new legal duties. Failure to comply is not an offence, however, the Code represents good practice as recognised by a wide range of industry stakeholders and a failure to adhere to good practice may be indicative of a harbour authority being in breach of certain legal duties.

The accompanying **Guide to Good Practice on Port Marine Operations** was updated in April 2018. This guide is intended to support and supplement the Port Marine Safety Code and contains useful information and more detailed guidance on several issues relevant to the management of port facilities.

#### **C) Duty holder:**

The East Suffolk Council Cabinet is the duty Holder for Southwold Harbour. Members are individually and collectively accountable for compliance with the Code, and performance in ensuring safe marine operations in the harbour and its approaches.

#### **D) Designated Person:**

A 'designated person' must be appointed to provide independent assurance about the operation of a marine safety management system. The designated person must have direct access to the duty holder. ABP Mer are the Designated person for Southwold Harbour

#### **E) Duties**

The Duty Holder must review and be aware of their existing powers based on local and national legislation, seeking additional powers if required to promote safe navigation.

**Duties and Powers:** Comply with the duties and powers under existing legislation, as appropriate.

**Risk Assessment:** Ensure that marine risks are formally assessed and are eliminated or reduced to the lowest possible level, so far as is reasonably practicable, in accordance with good practice.

**Marine Safety Management System (MSMS):** Operate an effective **MSMS** which has been developed after consultation, is based on formal risk assessment, and refers to an appropriate approach to incident investigation.

**Review and Audit:** Monitor, review and audit the risk assessment and MSMS on a regular basis – the independent designated person has a key role in providing assurance for the duty holder.

**Competence:** Use competent people (who are trained, qualified and experienced) in positions of responsibility for managing marine and navigation safety.

**Plan:** Publish a safety plan showing how the standards in the Code will be met and produce a report assessing performance against that plan at least every 3 years.

**Aids to Navigation:** Comply with directions from the General Lighthouse Authorities and supply information & returns as required.

All the officers involved in marine safety have familiarised themselves with the updated PMSC and have reviewed implications for marine operations.

It is **strongly recommended** that members of the Cabinet, acting as the ‘**duty holder**’, should also become familiar with the updated Code.

A letter of compliance with the code, is required every three years.

## **2. Action taken to improve compliance – September 2022 to June 2023**

Cabinet is the nominated ‘Duty Holder’ for the harbour and there is a requirement under the Port Marine Safety Code for a report on the harbour to be presented at least annually to the Duty Holder. The Code also requires a Designated Person to inspect the harbour operation and to report on this at least annually to the Duty Holder.

**A) In September 2022** ABP Mer carried out a gap analysis as part of their appointment as Designated person.

The gap analysis identified 33 items that required action or updating. Nearly all of these related to missing information or the absence of Standard Operating Procedures (SOPs).

**B)** In September 2022 Southwold Harbour appointed a **General Manager** whose primary function was to assist Harbour staff and ESC officers in reaching compliance with The Port Marine Safety Code.

**C)** A **Harbour Revision Order** was applied for to modernise Harbour powers. The application was Submitted on 15 Sept 2022 and contains a wide range of provisions reflective of other HRO’s.

**D)** A **landside hazard workshop** was undertaken in Autumn of 2022.

**E)** An East Suffolk Council, Southwold **Harbour Aids to Navigation and Passage Plan** Review was undertaken with discussion and feedback from harbour users in November 2022 and February 2023.

**F)** **Duty holder training** for cabinet was carried out in December 2022 and June 2023.

**G)** With the assistance of ABP Mer, research relating to documentation adopted by other harbours within the UK, and Consultation with Harbour staff, a new Marine Safety Management System and associated policies has been produced, comprising the following documents which were adopted and approved by cabinet in February 2023.

- Marine Safety Management System (MSMS)
- Marine Safety Plan 2023 – 2025
- Safety of Navigation Policy
- Conservancy Policy
- Training Policy

In addition to these documents, the Port Marine Safety Code also requires a policy on Enforcement and Prosecution in the Harbour and an Environment Policy, which is encompassed in the Council's existing Compliance and Enforcement and Environment Policies.

- H) In February 2023 the Deputy Harbour Master attended an IDG three-day **Harbour master's course** in Southampton.
- I) All harbour risk assessments were reviewed with staff and ESC Health and Safety involvement in 2023.
- J) A draft **Southwold Harbour Study** was carried out during the period by Royal Haskoning.
- K) A full coverage multibeam **bathymetry survey** was carried out in Southwold harbour in March 2023 resulting in updated harbour charts being produced. Information has been sent to the UKHO and Local Notice to Mariners promulgated.
- L) A bilateral agreement regarding navigational information with the UK Hydrographic Office is being set up.
- M) Standard Operating Procedures.

In March 2023 the following standard operating procedures were published after consultation with harbour users:

1. Entry/Departure of Vessels - Standard Operation Procedures - Southwold Harbour
2. Fuelling/Bunkering - Standard Operation Procedures - Southwold Harbour  
To be read in conjunction with Vessel Fuelling Guidance - Southwold Harbour
3. Diving - Standard Operation Procedures - Southwold Harbour
4. Hot Work - Standard Operation Procedures - Southwold Harbour
5. Managing Abandoned Unserviceable or Wrecked Vessels - Standard Operation Procedures
6. Towage - Standard Operation Procedures - Southwold Harbour
7. Oil Spill Response - Standard Operating Procedure - Southwold Harbour

In addition, an Oil Spill Contingency plan was produced, and a small oil boom purchased.

- N) The following documents are to be submitted to the July meeting of the HMC.

**Draft Southwold Harbour Emergency Plan.**

Although the responsibility for the Emergency Plan sits with appointed officers, it will be recommended at the July Harbour Management Committee that the HMC note the draft

document prior to publication and distribution to allow HMC members with expertise in these areas to comment.

To reach compliance with the Port Marine Safety Code the Southwold Harbour management Committee will be asked to note **Standard Operating Procedure for Harbour Craft and approve draft Harbour KPI's** prior to publication and distribution.

**KPI's listed below:**

- Number of fuel sales including quantity
- Number of risk assessments (list number overdue for review)
- Number of reports of collision/grounding
- Number of near miss reports
- Navigation light failure days per quarter
- Diving permits issued
- Environmental incidents
- Hot work permits issued
- Number of arrivals/departures
- Visitor nights
- Number of arrivals departures without vhf comms.
- Number of slipway launches
- Number of boat lifts

**O)** A suite of reporting forms has been written and forwarded to harbour staff in May 2023.

- Incident Report Form Southwold Harbour
- Oil Spill Report Form Southwold Harbour
- Accident Report Form Southwold Harbour
- Potential risk Report Form Southwold Harbour
- Defect Report Form Southwold

**FIRE AT HARBOUR**

A separate report on the fire will be submitted to the HMC in July.



**CABINET**

**Tuesday, 11 July 2023**

<b>Subject</b>	Housing Regulation – Quarterly Update
<b>Report by</b>	Councillor David Beavan Deputy Leader and Cabinet Member with Responsibility for Housing
<b>Supporting Officer</b>	Andrew Jarvis and Heather Fisk Strategic Director and Head of Housing <a href="mailto:andrew.jarvis@eastsoffolk.gov.uk">andrew.jarvis@eastsoffolk.gov.uk</a> and <a href="mailto:heather.fisk@eastsoffolk.gov.uk">heather.fisk@eastsoffolk.gov.uk</a>

Is the report Open or Exempt?	OPEN
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Category of Exempt Information and reason why it is <b>NOT</b> in the public interest to disclose the exempt information.	This report is to be considered during the <b>OPEN</b> part of the agenda.
<b>Wards Affected:</b>	All Wards This predominantly affects the former Waveney District Council area only.

## Purpose and high-level overview

### **Purpose of Report:**

To provide an update to Members on Housing Regulation Matters, which led to a Regulatory Notice being issued to East Suffolk Council (ESC) by the Regulator of Social Housing (RSH) for a breach of the Home and Rent Standards.

This report follows paper [ES/1432](#), which was presented to Full Council on 25<sup>th</sup> January 2023. At the meeting recommendation 6 stated: “Members note that quarterly updates will be presented to Cabinet, detailing the progress against the Compliance and Rent Improvement Plans.”

Due to the pre-election period and Cabinet Meetings not taking place during April, this is the first report, following Full Council.

### **Options:**

1. This report is provided for information purposes only. There is no requirement for Cabinet to make a decision.

### **Recommendation/s:**

1. That Cabinet notes the information contained within this report and endorses the actions set out to ensure the Council is compliant with the Regulator of Social Housing Consumer ‘Home Standard’.
2. That Cabinet notes the information contained within this report and endorses the actions set out to ensure the Council is compliant with the Regulator of Social Housing ‘Rent Standard’.
3. That Cabinet note that the next quarterly update will be presented to October’s Cabinet Meeting.

## Corporate Impact Assessment

### **Governance:**

The Council commissioned an external, independent review of the governance of the housing service, to ensure that the right governance arrangements are in place, which will prevent any such breaches of the social housing regulatory standards from occurring in the future. This report was completed in early 2023 and a final report issued in June 2023. This report was discussed at Audit and Governance Committee on 10<sup>th</sup> July 2023. Due to report publication dates, an update on the outcome of the Audit and Governance Committee will be included in the October Cabinet Quarterly Report.

To ensure the effective monitoring of Compliance of the Housing Assets, the Housing, Health and Safety Board continues to meet monthly. In April, the Terms of Reference were reviewed, updated and adopted, to reflect how the board has matured since its inception in April 2022. The updated Terms of Reference can be found in Appendix A.

The Rents Development Group continues to meet weekly to review the progress of the forensic audit of historic rent accounts and to oversee the implementation of the Rent Increase in April 2023.

**ESC policies and strategies that directly apply to the proposal:**

The [Housing Strategy 2017-2023](#) sets out the Council's commitment to investing and improving its housing stock.

The [HRA Business Plan](#) sets out the proposed investment in the Housing Stock over a 30-year period.

The [Rent and Service Charge Policy](#) 2023 sets out the Council's approach to Rent and Service Charge setting.

**Environmental:**

There are no environmental factors affected by this issue.

**Equalities and Diversity:**

An EQIA was completed to accompany the report to Full Council in January 2023, where certain policy decisions were made. The reference for this EQIA was 'EQIA477820335'. As this report is an update on progress made and no decisions are required, a further EQIA is not required.

**Financial:**

The Council can charge two types of rent: Social Rent and Affordable Rent.

A Social Rent (SR) should not be higher than 'formula rent', which is calculated based on the relative value of the property, relative low-income levels, and the size of the property. An aim of this formula-based approach is to ensure that similar rents are charged for similar socially rented homes, throughout the country taking account of regional factors.

For an Affordable Rent (AR), the initial rent should not be set higher than 80% of market rent (inclusive of service charges), as well as at any future relet.

There are 145 properties within the East Suffolk HRA stock that are legitimately being charged an affordable rent and indeed are required to be charged such a rent as the properties were either a new build or an acquisition with the use of Right to Buy (RTB) receipts to fund the purchase. These properties are therefore outside of the rent repayment matters being updated on in this report.

It was agreed at Full Council in January 2023, that properties previously converted from Social to Affordable Rent would have their rent re-set back to Formula Rent plus flexibility. This was completed at the start of the new Financial Year, in April 2023.

ESC had been charging additional charges in relation to heating servicing. ESC received specialist legal advice that these charges should not have been levied and therefore, a full refund must be administered to all affected current and former tenants. These charges were removed from all Rent Accounts at the start of the new Financial Year, in April 2023.

The Forensic Audit for 2010/11 – 2021/22 has been completed. A 'mini audit' for 2022/23 is nearing completion and the final outcome should be confirmed in July 2023.

The confirmed refund level for the heating charges totals £4,133,721. This is calculated based on the charges mistakenly levied between 2010/11 and 2021/22.



The refunds owed in relation to the incorrect charging of rent is £3,745,511. This is calculated based on the incorrect rental charges levied between 2010/11 and 2021/22.

This means that overall, for the period 2010/11 to 2021/22 the confirmed level of refunds is £7,879,232.

In addition to the audit up to and including the financial year 2021/22, an additional 'mini audit' took place for financial year 2022/23. The figures are currently projected to be £353,287 for the heating charges and £387,775 for the incorrect rent charges.

This means that the total due to be repaid for incorrect heating charges for 2010/11 – 2022/23 is £4,487,008 and the total due to be repaid for incorrect rental charges for the same period is £4,133,286. This is an overall refund level of £8,620,294.

In addition to the initial refunds of £8,620,294, there will also be an effect on the HRA Business Plan, due to a reduction in income over the medium to long term. Income has been reduced in each future financial year as part of our business plan modelling and including the initial refund levels, the impact on the HRA Business Plan over the rest of its 30-year term is a shortfall of £28.2M.

#### **Human Resources:**

Since the issues were first identified, significant officer time has been spent working intensively to resolve them. In addition to this, interim support was employed to support the work programme. This included external specialists to deliver the forensic audit, and compliance experts to support the work related to stock compliance.

To enable the refund process to happen at pace, we have recruited additional staff on a fixed term basis to support this work.

We have created a new team to manage the compliance of our housing assets, who will lead on contractual management of the external specialist contractors for Fire, Legionella, Asbestos, Heating and Lift Safety.

We are planning to recruit to an additional role, which will focus on Electrical Safety and ensure the effective management of EICR's, so they are treated separately to the day-to-day work scheduling.

#### **ICT:**

As part of this programme of work, ESC has identified that significant work is required to improve the quality of data held electronically in relation to the effective management of the housing stock. Therefore, system updates are being planned and implemented as required.

#### **Legal:**

The Housing and Regeneration Act 2008 sets out that Local authorities with social housing stock are "registered providers of social housing". Registered Providers are governed by the [Regulator of Social Housing](#).

There are a multitude of legislative and regulatory responsibilities that Registered Providers of Social Housing must ensure they adhere to including the Regulator of Social Housing Standards as well as Policy Statements issued by the Department for Levelling Up Housing and Communities.

The regulation of Social Housing is increasing significantly and there are many changes, which it is essential that ESC complies with.

The [Smoke and Carbon Monoxide Alarm \(Amendment\) Regulations 2022](#), which effectively amend the Smoke and Carbon Monoxide Regulations 2015 to remove the exemption of social landlords, so that from 1 October 2022 housing associations and local authorities were subject to the 2015 Regs. This means that from this date ESC must ensure:

- At least one smoke alarm is equipped on each storey of their homes where there is a room used as living accommodation: and
- A carbon monoxide alarm is equipped in any room used as living accommodation which contains a fixed combustion appliance (excluding gas cookers)

In addition to this, there is new legislation either planned or recently approved, which will shortly be enacted. These include:

The [Social Housing Regulation Bill](#), which is currently going through Parliament and introduces a stronger regulatory regime for Registered Providers and delivers the measures set out in the [Social Housing White Paper](#).

There are two key pieces of Legislation, which have received Royal Assent, following the review of the Grenfell Tragedy in 2017.

The new duties set out in the Building Safety Act 2022 and Fire Safety Order (England) 2022, will require the Council to carry out new programmes of work, to ensure they meet the duties.

#### [Building Safety Act 2022](#)

The Building Safety Act makes significant reforms to give residents and homeowners more rights, powers, and protections, which will ensure that homes across the country are safer.

It delivers protections for qualifying leaseholders from the costs associated with remediating historical building safety defects and includes an ambitious toolkit of measures that will allow those responsible for building safety defects to be held to account.

It overhauls existing regulations, creating lasting change and makes clear how residential buildings should be constructed, maintained and made safe.

The Act creates three new bodies to provide effective oversight of the new regime: the Building Safety Regulator, the National Regulator of Construction Products and the New Homes Ombudsman.

Together these changes mean owners will manage their buildings better, and the home-building industry has the clear, proportionate framework it needs to deliver more, and better, high-quality homes.

Many of the detailed provisions in the Act will be implemented over the next two years through a programme of secondary legislation.

#### [The Fire Safety \(England\) Regulations 2022](#)

The requirements set out in the Fire Safety Regulations 2022 come into force 23<sup>rd</sup> January 2023.

These regulations will make it a requirement in law for responsible persons of high-rise blocks of flats to provide information to Fire and Rescue Services to assist them to plan and, if needed, provide an effective operational response.

Also, the regulations will require responsible persons in multi-occupied residential buildings which are high-rise buildings, as well as those above 11 metres in height, to provide additional safety measures.

In all multi-occupied residential buildings, the regulations require responsible persons to provide residents with fire safety instructions and information on the importance of fire doors. The regulations apply to existing buildings, and requirements for new buildings may be different.

In high-rise residential buildings, responsible persons will be required to:

**Building Plans:** provide their local Fire and Rescue Service with up-to-date electronic building floor plans and to place a hard copy of these plans, alongside a single page building plan which identifies key firefighting equipment, in a secure information box on site.

**External Wall Systems:** provide to their local Fire and Rescue Service information about the design and materials of a high-rise building's external wall system and to inform the Fire and Rescue Service of any material changes to these walls. Also, they will be required to provide information in relation to the level of risk that the design and materials of the external wall structure gives rise to and any mitigating steps taken.

**Lifts and other Key Fire-Fighting Equipment:** undertake monthly checks on the operation of lifts intended for use by firefighters, and evacuation lifts in their building and check the functionality of other key pieces of firefighting equipment. They will also be required to report any defective lifts or equipment to their local Fire and Rescue Service as soon as possible after detection if the fault cannot be fixed within 24 hours, and to record the outcome of checks and make them available to residents.

**Information Boxes:** install and maintain a secure information box in their building. This box must contain the name and contact details of the Responsible Person and hard copies of the building floor plans.

**Wayfinding Signage:** to install signage visible in low light or smoky conditions that identifies flat and floor numbers in the stairwells of relevant buildings.

In residential buildings with storeys over 11 metres in height, responsible persons will be required to:

**Fire Doors:** undertake annual checks of flat entrance doors and quarterly checks of all fire doors in the common parts.

In all multi-occupied residential buildings with two or more sets of domestic premises, responsible persons will be required to:

**Fire Safety Instructions:** provide relevant fire safety instructions to their residents, which will include instructions on how to report a fire and any other instruction which sets out what a resident must do once a fire has occurred, based on the evacuation strategy for the building.

**Fire Door Information:** provide residents with information relating to the importance of fire doors in fire safety.

### **Specialist Legal Advice**

As part of the review into these regulatory matters, ESC has sought specialist external opinion from Trower's and Hamlin Law Firm. They have advised on a number of aspects

specifically in relation to the Rent Standard and historical decisions made, which were at odds with guidance and / or legislation.

**Risk:**

This area of work has been added to the Corporate Risk Register.

***Risk Description:***

ESC has been found to not be compliant with the Rent Standard and 'Home' Consumer Standard following self-referral to Regulator for Social Housing. Rental charges dating back to ESC's predecessor authority Waveney District Council (WDC) did not meet requirements set out in 'Rent Standard'. Tenants who moved in after 2014 were potentially charged higher rents. Review also included aspects of health and safety of properties, inc. fire risk assessments, asbestos management, water safety, gas and electrical safety, etc.

***Current Controls:***

- Council self-referred to Regulator of Social Housing (RSH) in February 2022.
- In-depth review of the Housing Service conducted in line with the Regulatory (Rent) and Consumer Standards.
- Independent consultants appointed to review historic approach to rent conversions and to assess whether there are/were any other areas of non-compliance against the rent standard.
- Legal opinion sought on other service charges.
- Thorough audit of all aspects of compliance and development of action plan.
- ESC commissioned an independent inquiry into the governance/decision making issues raised in respect of the Rent Standard issues. The inquiry report was completed in May 2023.
- ESC has recruited a new Strategic Director position, focussed on governance, bringing leadership, direction and organisational resilience.

***Mitigations:***

- Forensic audit of potential overpayments of rent, has been conducted looking at every rent account, line by line. The audit is 100% complete, and definitive figures for overpayments made by tenants are determined. A proportion of these overpayments will be refunded to DWP/Housing Benefit, but this data must be calculated by ARP and is not available yet. The data is being used to improve financial projections of potential tenant overpayments.
- Compliance consultant employed to ensure the right policies, processes and mechanisms for monitoring are in place to provide assurance that the housing stock is compliant with the Homes Standard. Ongoing work is delivering remedial safety works to buildings.
- Regular meetings are scheduled with Regulator for Social Housing, and reports are provided between meetings.
- A permanent Housing Health & Safety Board has been created and provides senior level monitoring, control and direction.
- A substantial Improvement Programme is being developed for the Landlord's Service, supported by external Consultants.
- A full Asset Review of the high-rise building, St Peter's Court, is underway. This will inform decisions about financial investment in the building, including safety works to improve ESC safety standards.

***Current Risk Score:***

C2 (Amber)

**External Consultees:** N/A

## Strategic Plan Priorities

Select the priorities of the <a href="#">Strategic Plan</a> which are supported by this proposal: <i>(Select only one primary and as many secondary as appropriate)</i>		Primary priority	Secondary priorities
<b>T01</b>	<b>Growing our Economy</b>		
P01	Build the right environment for East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P02	Attract and stimulate inward investment	<input type="checkbox"/>	<input type="checkbox"/>
P03	Maximise and grow the unique selling points of East Suffolk	<input type="checkbox"/>	<input type="checkbox"/>
P04	Business partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P05	Support and deliver infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T02</b>	<b>Enabling our Communities</b>		
P06	Community Partnerships	<input type="checkbox"/>	<input type="checkbox"/>
P07	Taking positive action on what matters most	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P08	Maximising health, well-being and safety in our District	<input checked="" type="checkbox"/>	<input type="checkbox"/>
P09	Community Pride	<input type="checkbox"/>	<input type="checkbox"/>
<b>T03</b>	<b>Maintaining Financial Sustainability</b>		
P10	Organisational design and streamlining services	<input type="checkbox"/>	<input type="checkbox"/>
P11	Making best use of and investing in our assets	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P12	Being commercially astute	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P13	Optimising our financial investments and grant opportunities	<input type="checkbox"/>	<input type="checkbox"/>
P14	Review service delivery with partners	<input type="checkbox"/>	<input type="checkbox"/>
<b>T04</b>	<b>Delivering Digital Transformation</b>		
P15	Digital by default	<input type="checkbox"/>	<input type="checkbox"/>
P16	Lean and efficient streamlined services	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P17	Effective use of data	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P18	Skills and training	<input type="checkbox"/>	<input checked="" type="checkbox"/>
P19	District-wide digital infrastructure	<input type="checkbox"/>	<input type="checkbox"/>
<b>T05</b>	<b>Caring for our Environment</b>		
P20	Lead by example	<input type="checkbox"/>	<input type="checkbox"/>
P21	Minimise waste, reuse materials, increase recycling	<input type="checkbox"/>	<input type="checkbox"/>
P22	Renewable energy	<input type="checkbox"/>	<input type="checkbox"/>
P23	Protection, education and influence	<input type="checkbox"/>	<input type="checkbox"/>
<b>XXX</b>	<b>Governance</b>		
XXX	How ESC governs itself as an authority	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>How does this proposal support the priorities selected?</b>			
ESC is a social landlord who wants to be a landlord of choice and provide high-quality, affordable homes in communities where residents are proud to live.			

## Background and Justification for Recommendation

1	Background facts
1.1	East Suffolk Council (ESC) owns and is the social landlord for approximately 4,500 properties, which are managed through the Housing Revenue Account (HRA).
1.2	The stock consists of a mixture of bungalows, flats and houses and includes 13 Retired Living Schemes, one block over 18m tall and a number of properties used as Temporary Accommodation for homelessness under s188 and s193(2) of the Housing Act 1996.
1.3	There are also some commercial units and some units, which are leased to other providers.
1.4	Prior to East Suffolk Council being created, only Waveney District Council had retained its housing stock. Suffolk Coastal District Council had transferred its properties to a Registered Provider a number of years before. Therefore, the stock is predominantly located in the North of East Suffolk.
1.5	Local authorities with social housing stock became "registered providers of social housing" pursuant to the Housing and Regeneration Act 2008. However, local authority registered providers were not subject to any of the economic standards set by the RSH until they became subject to the Rent Standard with effect from 1 April 2020.
1.6	Registered Providers of social housing, which includes both Councils and Housing Associations, are governed by the Regulator of Social Housing (RSH).
1.7	The Housing and Regeneration Act 2008, sets out the role of the RSH.
1.8	The RSH has a set of standards, which Registered Provider (RP) landlords, must comply with. These include 3 economic and 4 consumer standards. The consumer standards are applicable to all RP's, including Councils. Not all the economic standards apply to Councils, because the RSH does not have the power to impose them on Local Authorities. The only economic standard, for which Councils must comply with, is the Rent Standard.
1.9	The RSH has a 'co-regulatory' approach to supporting the regulation of social housing. There is an expectation that RPs are open and transparent and will make a self-referral to the RSH if there is reason to believe that there may be a breach of one or more of the Regulatory Standards.
1.10	<p>The Consumer Standards are:</p> <p><b>The Tenant Involvement and Empowerment Strategy</b> – Customer Service, Choice, Complaints, Involvement and Empowerment and ensuring there is an understanding of the diverse needs of tenants</p> <p><b>The Home Standard</b> – Quality of accommodation, repairs and maintenance. This includes compliance with the 'Big 6' areas: Fire, Gas Safety, Electrical Safety, Water Safety (Legionella), Asbestos and Lifting Equipment (Lifts and Stairlifts). (<i>Appendix B</i>)</p> <p><b>The Tenancy Standard</b> – Allocations, Mutual Exchanges and Tenancy Management</p> <p><b>The Neighbourhood and Community Standard</b> – Management of neighbourhoods and anti-social behaviour.</p>

1.11	<p>The key outcomes of the Home Standard are summarised below:</p> <ul style="list-style-type: none"> <li>• Ensure council homes meet the Decent Home Standard and are maintained to this standard</li> <li>• Provide a cost-effective repairs and maintenance service to homes and communal areas that responds to the needs of, and offers choice to tenants, and has the objective of completing repairs and improvements right first time</li> </ul> <p>Meet all applicable statutory requirements that provide for the health and safety of occupants in their homes</p>
1.12	The Rent Standard applies, (subject to certain exceptions) to 'low cost rental' accommodation, as defined by section 69 of the Housing and Regeneration Act 2008 with some limited exceptions (not relevant to this paper). This includes some types of Temporary Accommodation, which is used for those owed a duty under homelessness.
1.13	Registered providers must comply in full, with all the requirements and expectations set out in the Rent Standard. They must additionally comply with all the requirements and expectations of the Rent Policy Statement on the setting, increase and decrease of rents and service charges.
1.14	An initial high-level review of the Council's landlord service was conducted by the newly appointed Head of Housing at the end of 2021. This identified some areas, which may have constituted a breach of the Regulatory Standards.
1.15	On 9th February 2022, an initial letter was sent to the RSH setting out the reasons why the Council felt it was not compliant with the Home and Rent Standard.
1.16	A letter was sent to all tenants to advise them of the self-referral to the RSH and set out the reasons why.
1.17	On 10th March 2022, a further letter was sent to the RSH providing further details of the potential breaches of the Home Standard and to advise them of the work ESC was undertaking to try and remedy potential breaches of both the Home and Rent Standard.
1.18	On 25th May 2022, the RSH issued a Regulatory Notice, which stated that:
1.19	<i>"a) East Suffolk Council had breached part 1.2 of the Home Standard; and as a consequence of this breach, there was the potential for serious detriment to the council's tenants."</i>
1.20	<i>"b) East Suffolk Council was not compliant with the legislative requirements of the Welfare Reform and Work Act 2016 (the Act). Since 2016, it charged inaccurate rents as a result of incorrectly applying additional service/de-pooled rent charges to the majority of its stock, which should have been included in the rent. It then subsequently did not apply the 1% rent reduction to these additional rental charges, also in contravention of the Act."</i>
1.21	<i>"c) East Suffolk converted more than 1,000 properties to Affordable Rent without the requisite permissions, in contravention of one or other of the Act and the Rent Standard (dependent upon the date of the conversion)."</i>
1.22	The Notice also stated that <i>'Complying with statutory health and safety requirements is a fundamental responsibility of all registered providers because of the potential for serious harm to tenants. Taking into account the seriousness and breadth of the issues, the durations for which tenants were potentially exposed to risk, and the number of tenants potentially affected, the regulator has concluded that it is proportionate to find that East Suffolk Council has breached the Home Standard and that there was a risk of serious detriment to tenants during this</i>



	<i>period. East Suffolk Council has demonstrated to the regulator that it understands the work it needs to undertake to ensure that it completes the required statutory checks and relevant safety actions, and the regulator will work with the council as it delivers this programme.'</i>
1.23	Following their investigation and the issuing of the Regulatory Notice, the RSH also said in the notice: <i>'East Suffolk Council is putting in place a programme to rectify these failures and the regulator will therefore not take statutory action at this stage, as it has assurance that the breach of the standards is being remedied. The regulator will work with East Suffolk Council as it continues to address the issues which have led to this situation, including ongoing monitoring of how it delivers its programme.'</i>
1.24	Since the Regulatory Notice was issued, a significant programme of improvement has been undertaken, as set out, in detail in the <a href="#">Report</a> , which was presented to Council in January 2023.

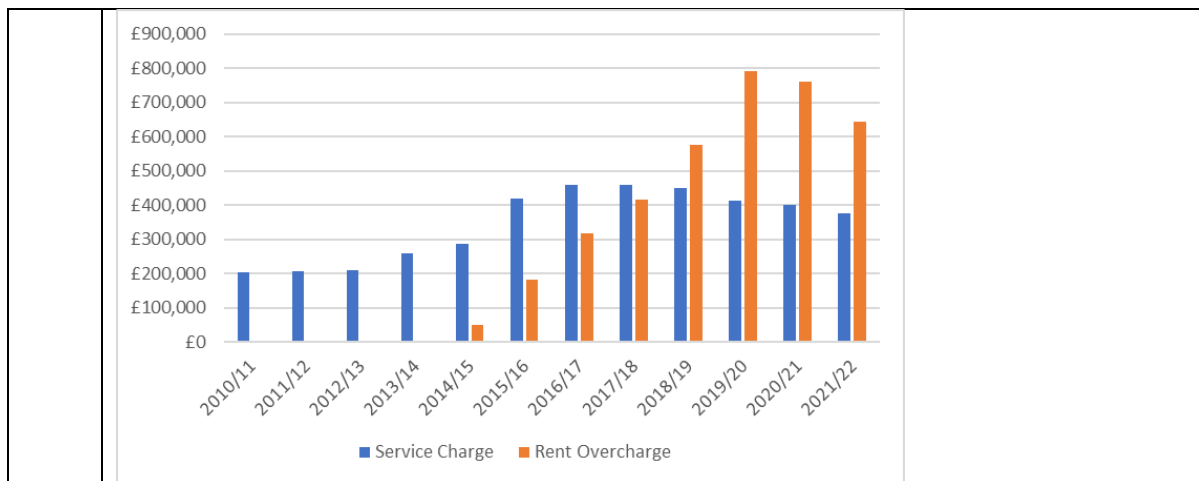
## 2 Current position

Asset Compliance															
2.1	<p>At, 31<sup>st</sup> May 2023, the compliance levels were:</p> <table border="1"> <thead> <tr> <th>Aspect of Compliance</th> <th>Level of Compliance</th> </tr> </thead> <tbody> <tr> <td>Asbestos Safety</td> <td>100%</td> </tr> <tr> <td>Electrical Safety</td> <td>99.7%</td> </tr> <tr> <td>Fire Safety</td> <td>100%</td> </tr> <tr> <td>Gas Safety</td> <td>99.9%</td> </tr> <tr> <td>Lift Safety</td> <td>100%</td> </tr> <tr> <td>Water Safety</td> <td>100%</td> </tr> </tbody> </table> <p>The table above sets out our levels of compliance at the end of the previous calendar month. Due to the report publishing dates, May's data has been used.</p>	Aspect of Compliance	Level of Compliance	Asbestos Safety	100%	Electrical Safety	99.7%	Fire Safety	100%	Gas Safety	99.9%	Lift Safety	100%	Water Safety	100%
Aspect of Compliance	Level of Compliance														
Asbestos Safety	100%														
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Fire Safety	100%														
Gas Safety	99.9%														
Lift Safety	100%														
Water Safety	100%														
2.2	<p><b>Asbestos Safety</b> – Following a detailed review of ESC's Asbestos data, it was agreed to carry out 3 programmes of surveys to reinspect properties where the data shows the property has a positive result for Asbestos.</p> <p>Programme 1 will survey external elements of dwellings where Asbestos was previously identified. These inspections will be linked with Programme 3 (below).</p> <p>Programme 2 will conduct surveys of 215 blocks. This programme has been commissioned and commenced at the end of May and will be complete by end of August. This meets our legal obligation under the Control of Asbestos Regulations (CAR) 2012.</p> <p>Programme 3 will follow the second programme. We will be commissioning surveys to dwellings that have not been previously surveyed or where the data shows the property has a positive result for Asbestos, which will enable us to hold more detailed data. We are still finalising the timescales for this programme.</p>														
2.3	<p><b>Electrical Safety</b> - There are 4417 dwellings that require an Electrical Installation Condition Report (EICR).</p>														

	<p>Legislation for Social Housing providers, currently states that these should be carried out every 10 years.</p> <p>On 31<sup>st</sup> May 2023, there were 12 properties, which have an outstanding EICR, which is over 10 years old. This means our current level of compliance is 99.7%.</p> <p>However, in the Private Rented Sector, it is every 5 years. It is an anomaly, which will be rectified shortly under new legislation being passed. Therefore, we are currently moving towards ensuring these are carried out every 5 years or on a change of tenancy.</p> <p>On 31<sup>st</sup> May, there were 174 properties, where the EICR was completed more than 5 years ago. Therefore, if we still had this number outstanding when the regulations change, we would be 95.79% compliant.</p> <p>Despite several attempts, we have been unable to gain access to these homes to complete the EICR's. The current legislation only allows us to use reasonable endeavours to gain access, which means we cannot apply to the court for an injunction to obtain access to complete the inspections. This may change with future legislation, but at this time, ESC is making all reasonable endeavours to conduct these inspections. This includes making a reference on their tenancy record, so if they contact us about a repair, we can schedule the EICR in the same time.</p>
2.4	<p><b>Fire Safety</b> – Following a recent review of our lease arrangements, we have been able to reduce the number of Fire Risk Assessments we are responsible for completing from 89, by 6 to 83. Based on a number of factors, including occupancy, the FRA's are completed on an annual, bi-annual or three yearly basis. All FRA's are completed and we have only one due later this year, all others are not due now until 2024.</p> <p>We currently have 286 outstanding actions from Fire Risk Assessments. There are 217 actions with our 2 main Fire Safety Programme Contractors. These works include Automatic Opening Vents, Compartmentation, Fire Stopping, Fire Doors and Fire Alarms.</p> <p>The remaining 69 actions are under review by the Fire Safety Contracts Manager. In some instances, the work was completed but not 'completed' on the computer system. We have recently had a day's training for multiple officers, to ensure the works are completed on the system, once being physically completed.</p> <p>Staff have now attended Fire Door Inspection training. This will allow them to carry out the quarterly and annual door inspections of the communal and flat entrance doors as per, The Fire Safety (England) Regulations 2022.</p>
2.5	<p><b>Heating Safety</b> – Within the HRA, we have 3863 homes, which contain a gas heating system, 289 with renewable energy and 2 with oil fired heating.</p> <p>All of these heating systems have an annual service completed.</p>

	<p>On 31<sup>st</sup> May 2023, there are two properties, which we are unable to gain access to, to complete the services. Therefore, these have been referred to our legal team, in line with the procedure developed during 2022.</p>
2.6	<p><b>Lift Safety</b> – Within ESC blocks there are 12 passenger lifts, and these are serviced monthly and have an inspection carried out to the LOLER (Lifting Operations and Lifting Equipment Regulations 1998) specification twice a year.</p> <p>In individual dwellings, there are 39 stair lifts, which are serviced once a year and the inspections carried out to LOLER specifications are carried out twice a year.</p> <p>All servicing and inspections are up to date, at 31<sup>st</sup> May 2023.</p>
2.7	<p><b>Water Safety</b> – There is a requirement within our blocks where there are communal water supplies, such as our Retired Living Schemes, to have ‘Water Risk Assessments’ completed.</p> <p>We are currently required to complete 15 Water Risk Assessments on a two-year cycle.</p> <p>All of the sites have been surveyed and we are due to start carrying out new risk assessments from March 2024.</p> <p>Our new Asbestos and Legionella Contracts Manager is reviewing our approach to the management of systems following the risk assessments including ensuring that all management tasks are being completed, carried out in the right manner and that they have been recorded and records are stored in the correct system.</p> <p>These tasks would include:</p> <ul style="list-style-type: none"> <li>• Flushing of taps,</li> <li>• Temperature monitoring,</li> <li>• Descaling of showers,</li> <li>• Quarterly Thermostatic Mixer Valve (TMV) servicing,</li> <li>• 6 monthly tank inspections and temperature checks,</li> <li>• Annual ‘blow down’ of calorifiers.</li> </ul>
<b>Rents</b>	
2.8	<p>Following the initial ‘High Level Rents Audit’ in early 2022, the ‘Forensic Audit of Rents’ was commissioned and commenced in May 2022, to review all historic rent and heating charges from 2010.</p> <p>The Forensic Audit included:</p> <ul style="list-style-type: none"> <li>• Review of any advice and guidance relating to rent setting and service charges, which East Suffolk has acquired following the initial review and taking this into account in the forensic exercise.</li> <li>• Review of any additional data sources available to East Suffolk which did not form part of the initial review.</li> <li>• Assessment of the financial impact of service charges incorrectly levied for heating services on an individual tenancy basis to identify over charging.</li> <li>• Affordable Rents – identifying those properties which have been incorrectly converted to Affordable Rents and resetting those rents as Social Housing</li> </ul>

	<p>Formula Rents, including a review of any tenancy changes and legal action and identifying any over or under charging and recommending any remedial rent and tenancy management activity.</p> <ul style="list-style-type: none"> <li>• Affordable Rents – for those properties, which are subject to legitimate Affordable Rents, reviewing the level of rent charged and assessing this against the requirements of the Rent Standard. Review of any tenancy changes and legal action and identifying any over or under charging and recommending any remedial rent and tenancy management activity.</li> <li>• Social Housing Formula Rents - reviewing the level of rent and service charges charged back to 2015 and assessing this against the requirements of the Rent Standard. Review of any tenancy changes and legal action and identifying any over or under charging and recommending any remedial rent and tenancy management activity.</li> <li>• For each tenancy the audit will set out any refund owed to each tenant and/ or the DWP/Housing Benefit department setting out where this relates to rent and / or service charges.</li> <li>• Identifying any other related issues and escalating them for attention</li> </ul>
2.9	The forensic audit reviewed 9,025 tenancies during the period from April 2010 – March 2022. This and the following statistics only relate of the main forensic audit and not the ‘mini audit’ completed for 2022/23.
2.10	The audit has confirmed that 13% of tenancies are not affected by this issue.
2.11	The audit has confirmed that 22% of all tenancies were impacted by incorrect rents being levied. Of these, 13% are current tenants and 9% are former tenants.
2.12	The incorrect rents being levied relate of 2% of Social Rents and 20% of Affordable Rents.
2.13	The audit has confirmed that 84% of all tenancies were impacted by incorrect service (heating) charges being levied. Of these, 38% are current tenants and 46% are former tenants. All of these errors affect Social Rented properties only, there are no incorrect charges levied against Affordable Rented properties. This was expected, as you cannot charge service charges on Affordable Rented properties.
2.14	The confirmed refund level for the heating charges totals £4,133,721. This is calculated based on the charges mistakenly levied between 2010/11 and 2021/22.
2.15	The refunds owed in relation to the incorrect charging of rent is £3,745,511. This is calculated based on the incorrect rental charges levied between 2010/11 and 2021/22.
2.16	This means that overall, for the period 2010/11 to 2021/22 the confirmed level of refunds is £7,879,232.
2.17	This graph sets out the level of refunds due in each financial year. It shows that the incorrect rent levels get higher each year, as more properties were incorrectly converted, then started to reduce as tenancies were converted back to Social Rent upon relet.



2.18 As part of the audit, accounts have been reviewed to identify where there is either current or historical housing benefit claims, associated with the account. The audit has identified 74% of tenancies has a record of being in receipt of housing benefit, at some point during the tenancy.

2.19 We are aware that 3,602 people have had multiple tenancies during this time. The remaining people have only had 1 tenancy. This means we will need to do a manual ‘case management’ process, so when we write to each tenant, we include a breakdown of all tenancies held and the amount of refund owed for each one.

Tenants	Count
Tenants with 2 tenancies	2708
Tenants with 3 tenancies	656
Tenants with 4 tenancies	164
Tenants with 5 tenancies	60
Tenants with 6 tenancies	6
Tenants with 7 tenancies	0
Tenants with 8 tenancies	8

2.20 A ‘mini audit’ for 2022/23 is nearing completion and the outcome should be confirmed in July 2023.

2.21 In addition to the refunds up to and including the financial year 2021/22, an additional ‘mini audit’ took place for financial year 2022/23. The figures are currently projected to be £353,287 for the heating charges and £387,775 for the incorrect rent charges.

2.22 This means that in total due to be repaid for incorrect heating charges for 2010/11 – 2022/23 is £4,487,008 and the total due to repaid for incorrect rental charges for the same period is £4,133,286. This is an overall refund level of £8,620,294.

2.23 In addition to the initial refunds of £8,620,294, there will also be an effect on the HRA Business Plan, due to a reduction in income. Income has been reduced in each future financial year as part of our business plan modelling and including the initial refund levels, the impact on the HRA Business Plan over the rest of its 30-year term is over £28.2M.

2.24 An extensive piece of work has been developed, to ensure the refunds can be administered correctly and as quick as practicably possible.

2.25 ESC has recruited 3 additional full time Rents Officers to support the increased workload.

2.26	In March 2023, <a href="#">Cabinet</a> approved ESC's first ever <a href="#">Rent and Service Charges Policy</a> . This was a significant milestone in our approach to being compliant with the Rent Standard, as it sets out clearly our approach to rent and service charge setting.
<b>Governance</b>	
2.27	<p>Within the self-referral letter to the RSH, the Council committed to, amongst other things, an independent governance review, with the following Terms of Reference:</p> <ol style="list-style-type: none"> <li>1. Establish why there was a delay in ESC identifying and acting upon compliance breaches.</li> <li>2. Consider the scope and sufficiency of changes made to ESC's Housing management arrangements to address the concerns identified by David Tolson Partnership (DTP) consultancy in February 2022 and the Social Housing Regulator in May 2022.</li> <li>3. Recommend any structural and/or cultural changes which could be made to ESC's governance arrangements moving forward so that regulatory and statutory contraventions are, as far as reasonably possible, prevented from occurring and if/when they do occur, that they are identified and addressed at the earliest opportunity.</li> </ol>
2.28	In August 2022, VWV LLP Solicitors were commissioned by the Head of Legal and Democratic Services and Monitoring Officer to carry out the independent governance review mentioned above.
2.29	The Report produced by VWV LLP has been considered by the Corporate Leadership Team. The report has made the following findings, in relation to the terms of reference set out as part of the review.
2.30	<p><b>Question 1: Why there was a delay in ESC identifying and acting upon compliance breaches?</b></p> <p><i>"It is clear is that human error was the fundamental reason for the Council's failings in respect of its Housing Services. We note that the Covid-19 pandemic played some part in respect of the timeframe for responding to the breach. We can find no deliberate malice in any documentary evidence seen but we do see omission. Whether this was pure naivety as to the seriousness of the issues or hope that these problems would resolve themselves/be swept under the carpet and go away – serious errors of judgment were made. The recommendations in this report seek to minimise the possibility of this being able to happen again – accepting you can never fully eradicate risk when it comes to human error."</i></p>
2.31	<p><b>Question 2: The scope and sufficiency of changes made to the Council's Housing management arrangements to address the concerns identified by DTP consultancy in February 2022 and the Social Housing Regulator in May 2022.</b></p> <p><i>"All steps taken to identify and address Housing management issues, as endorsed by Full Council, are considered to be sufficient. This includes the extensive steps and work undertaken to fully identify each and every issue. The recommendations in this report aim to support and enhance ongoing work."</i></p>

2.32	<p><b>Question 3: Recommending any structural and/or cultural changes which could be made to ESC's governance arrangements moving forward so that regulatory and statutory contraventions are, as far as reasonably possible, prevented from occurring and if/when they do occur, that they are identified and addressed at the earliest opportunity.</b></p> <p>The independent report contains ten recommendations that apply to the whole of the Council.</p>
2.33	The Corporate Leadership Team has accepted the ten recommendations made and a full response to the recommendations can be found in the <a href="#">report</a> , which was presented to Audit and Governance Committee on 10 <sup>th</sup> July 2023.

### 3 How to address current situation

3.1	Cabinet is asked to note the updates related to actions completed and planned, which are provided within report.
3.2	Cabinet will continue to be updated on a quarterly basis, until the Regulatory Notice has been withdrawn.

### 4 Reason/s for recommendation

4.1	Cabinet is provided with reassurance that officers are taking appropriate action to remedy the non-compliance with the Regulatory Standards.
4.2	Cabinet will continue to be provided with quarterly updates until the Regulatory Notice is withdrawn.

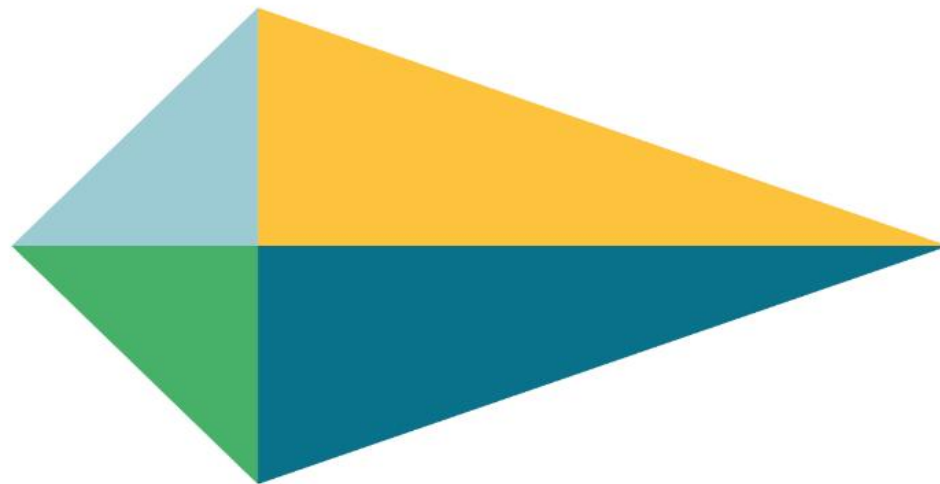
## Appendices

### Appendices:

<b>Appendix A</b>	Updated Housing, Health and Safety Board Terms of Reference
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### Background reference papers:

Date	Type	Available From
January 2023	Full Council Report on Housing Regulation.  Appendices include the self-referral to the RSH.	<a href="#">Decision Details: Housing Regulation (cmis.uk.com)</a>
July 2023	Audit and Governance Report on Housing Governance	<a href="#">Decision Details: Housing Governance Review (cmis.uk.com)</a>



# EASTSUFFOLK

C O U N C I L

## Housing Health and Safety Board – Terms of Reference

Version 2 – March 2023

For Implementation – March 2023

Review Due – April 2024

Owner – Heather Fisk, Head of Housing



## Purpose of the Housing Health and Safety Board (HHASB)

The HHASB is a strategic leadership forum representing the housing service at East Suffolk Council (ESC). The purpose of the HHASB is to ensure the efficient and effective planning, organisation, implementation, monitoring, audit and review of protective and preventative measures for health, safety and welfare for its Residents and Housing Staff and all those affected by the undertakings of the Council. This includes the strategic monitoring of compliance and ensuring properties meet all the required standards set out in Legislation and / or Guidance.

The aim of the HHASB is to continuously support, develop and monitor a culture of collaboration where concerns, ideas and solutions are freely shared and acted upon, and where the whole workforce is engaged in promoting a healthy and safe environment. This in turn helps the Council to fulfil their legal duties and continuously improve their approach to successful Health, Safety and Compliance management.

The HHASB is a key element supporting the Council's approach to H&S Management by regularly checking that the Council's approach to health and safety is in line with their H&S Policy and to act on the findings to continue to improve performance and raise standards.

The HHASB will actively and robustly monitor the compliance across all its c.4,500 housing stock, to ensure it meets and exceeds expected standards.

Where final decisions or approval are required on H&S matters, these will be taken through the appropriate channels for ESC.

## Role of the HHASB

The role of the HHASB is to:

- Robustly monitor and where appropriate instigate change, to ensure all of the Council's Housing Stock is compliant with the relevant legislation, regulations, standards and guidance.

- Ensure the Council's legal obligations under the Health and Safety at Work etc. Act 1974 and associated regulations or other legislation pertinent to H&S are adequately resourced and fulfilled.
- Set the strategic direction within Housing in relation to health and safety.
- Consider new or updated legislation, guidance or best practice as part of the successful H&S management within the Housing Service.
- Assess risks to the Housing Service and implement proportionate mitigation and risk management practices.
- Ensure competent personnel, irrespective of grade or role, are in the right roles at the right time, and that their skills and knowledge are kept up to date.
- Set and monitor HHASB objectives so that effective H&S protective and preventative arrangements are in place at the right time for those to whom the Council owes a duty of care.
- Hold each other and their peers to account, challenging performance, celebrating success and sharing lessons learned for the benefit of the Council and their working partners.
- Demonstrate visible and genuine commitment to the leadership and communication of H&S matters in their respective roles, leading by example and acting as role models.
- Ensure appropriate financial and other resources are in place to successfully manage H&S within the Housing Service, including the provision of a H&S budget and suitable H&S training.
- Review and where appropriate, approve proposed new H&S policies, procedures or associated safe systems of work, or revisions to existing arrangements within the Housing Service.
- Consider the role of emergency planning for H&S in the context of business continuity, as required.
- Consider and act upon relevant H&S reports, information and legislation from the Health and Safety Executive, industry bodies and local enforcement officers.
- Promote co-operation, information sharing and learning across the Housing Service on all matters related to health, safety or welfare at work;
- Monitor and review the Council's H&S performance management and any emerging trends.

## Membership of the HHASB

The Membership of the HHASB will include:

- Head of Housing (Chair)
- Strategic Director with responsibility for Housing
- Health and Safety Lead for ESC
- Health and Safety Officer for Housing Maintenance
- Strategic Lead - Housing Maintenance
- Commercial Manager – Capital Projects
- Operations Manager – Housing Maintenance
- Strategic Lead – Housing Services
- Strategic Lead - Housing Information and Governance (Reserve Chair)
- Senior Contracts Manager
- ESO (PA) to the Head of Housing, who will provide administrative support
- Building Control Partnership Manager
- Communications Manager (or a delegate)

## Responsibilities of the HHASB

The Head of Housing will act as ‘Chair’ in the meetings, but if they are unable to attend, the Strategic Lead for Housing Information and Governance will Chair the meeting.

Any member of the HHASB who is unable to attend a meeting, will be expected to send a suitable colleague to substitute on their behalf, who they will need to brief ahead of the meeting, if they have not attended in the last 6 months.

The PA to the Head of Housing will provide assistance with the effective operation of the H&S Board. This includes:

- Circulation of the date, time, venue, agenda and any relevant papers to the HHASB at least five working days before each meeting. It is the responsibility of **all** Colleagues to support the PA to achieve this timeline.
- Producing minutes of all meetings and ensuring they are recorded on the HHASB TEAMS Site

The HHASB, or their nominated substitutes, are expected to:

- Complete their monthly update reports **in advance** of the agenda being issued
- Forward any agenda items or papers to the person providing admin support by their nominated deadline, i.e., **in advance** of the agenda being issued
- Attend all HHASB meetings unless there is a significant reason for absence
- Adequately prepare for each meeting
- Ensure any allocated actions are completed within target time set
- Communicate meeting outcomes

### Frequency of Meetings

Meetings will be held every month, in person, where the previous months compliance performance will be reviewed.

### Review of Terms of Reference

The Terms of Reference (TOR) will be reviewed annually to ensure they accurately reflect the role and purpose of the Board.