

Name of Committee:	Cabinet		
Committee Date:	06 March 2024		
Report Title:	Langstone FCERM Scheme – Planning and Consenting Phase		
Responsible Officer:	Lyall Cairns, Executive Head of Coastal Service		
Cabinet Lead:	Councillor Liz Fairhurst		
Status:	Non-Exempt / Part-Exempt / Exempt		
Urgent Decision:	Yes/ No	Key Decision:	Yes/No
Appendices:	Appendix A - Present day and future 1/200 yr. flood mapping Appendix B – Wider Benefits Assessment 2019 Appendix C – Preferred Option Report, April 2019 (Link) Appendix D – Langstone Exhibition Poster Booklet (Link) Appendix E – Summary public consultation feedback		
Background Papers:	Havant Borough Council Corporate Strategy 2022 - 2026		
Officer Contact:	Name: James Spragg Email: James.Spragg@havant.gov.uk		
Report Number:	HBC/90/2024		

<p>Corporate Priorities:</p> <p>Langstone Flood and Coastal Risk Management (FCERM) enables delivery of the Corporate Strategy specifically through Havant Borough Council’s (the Council) Pride in Place aspiration:</p> <p><i>“Our communities are safe from coastal erosion and flooding, with our coastlines and habitats being high in biodiversity.”</i></p> <p>Achieving this aspiration is through the strategy’s identified initiative of continued delivery of coastal protection and management projects included the Langstone FCERM project.</p> <p>This project is also a priority project (No.4) for the Council.</p>

<p>Executive Summary:</p> <p>In October 2020 Cabinet requested that the design be brought to them on the completion of detailed design.</p> <p>Langstone FCERM Scheme is a priority project for the borough. The project is a strategic fit with the Council’s Corporate Strategy, as well as wider Flood and Coastal Erosion Risk Management (FCERM) planning documents adopted by the council. The North Solent Shoreline Management Plan 2010 (SMP2) recommends a policy of “hold the line” for this section of coastline. The Portsmouth to Emsworth Management Strategy (adopted by the Council in 2013) identified an adaptive approach with a minimum of a 1 in 75-year Standard of Protection (SOP). A thorough option appraisal determined the most cost-effective solution offers a present day 1 in 200-year SOP for Langstone.</p>

Do nothing damages within the local area are quantified at £28.6 million. Wider disruptions to the A3023, from flooding, is estimated at a further £20 million.

Implementation of a scheme at Langstone directly benefits properties at risk of coastal flooding. It also safeguards the critical road infrastructure on which services and Hayling Island community relies. Under a present-day scenario, the A3023 is estimated to be significantly impacted from a 1 in 20-year (5% AEP) flood event. Pipe bursts in 2019 and 2022 demonstrated the level of disruption for the people around the borough. It also leads to major traffic congestion in Havant, and long tailbacks on the A27 and A3. This has a significant consequence for emergency response, for businesses and tourism. Without protecting this critical asset, delivering on local plans for housing and economic growth for Hayling Island will be severely limited.

This report seeks approval from Cabinet to continue delivering this scheme into the Planning and Consenting Stage. During this stage the project team will submit the planning application and environmental consents, pre-qualify contractors, and continue to close the project's cost shortfall. Funds to complete the next stage of the work, costing £300k - £400k, are secured from the Environment Agency through an allowance to recover project inflation impacts through the design stage.

A further gateway in September is planned to present the outcome of the planning applications and closure of the funding gap. A further Key Decision is expected on whether the project continues into construction or needs to pause in September 2024.

A public exhibition was undertaken in January 2024 to showcase the final design to the public and interested stakeholders. Consultation feedback from the event demonstrates that the project is well supported with 90% of respondents supporting the scheme.

Whole life costs for delivering the scheme are estimated to cost £18 million. Funding secured from a blend of sources totals £11 million. Current funding bids to the Other Government Department Fund (£1.9million) and HBC CIL (£2.5million) total £4.4million. The remaining funding gap is £2.6million.

There is a residual risk to allocated funding around Environment Agency expectations for a discounted Benefit Cost Ratio (BCR) equating to unity. We are working to re-affirm our existing financial assurance (secured via outline business case) holds true, given the increased costs have impacted on BCR, which is now potentially below 1 but will be confirmed through ongoing work to determine this.

Due to the limited working period, a delay at this stage can impact start of construction by an additional year. With construction industry inflation predicted at 7.5% this represents the risk of approximately £1million additional shortfall to the funding gap.

Continuing planning and consenting alongside seeking further additional funding, reduces risk on the programme and inflation cost.

Recommendations:

1. Cabinet **approves** the continued progression to complete the Planning and Consenting management stage of the project (estimated cost £300k - £400k).
2. Cabinet **approves** the continued work to close the project's remaining funding gap, while also seeking to decrease costs where possible, and seek certainty over the release of allocated funds, and cost benefit ratios from the Environment Agency.
3. Cabinet endorses the need to work with partner agencies to deliver this priority project for the borough and in doing so, the Leader shall write to National Highways to express the need for their support.

1.0 Introduction

- 1.1 In making the decision ([28 October 2020](#)) to undertake the Langstone FCERM scheme detailed design, Cabinet asked that the final design be brought back to them for consideration. This report reiterates the case for change, highlights the final design, and requests approval for continued expenditure of resources for the Planning and Consenting Stage of the project.

2.0 Background

- 2.1 A primary focus of the scheme is to reduce flood and erosion risk to life and property in Langstone. For the present day there are 72 residential properties, and four non-residential properties, at risk from a 1 in 200-year (0.5% AEP) tidal flood event. Due to sea level rise, in one hundred years' time 122 residential properties and nine non-residential properties are expected to be at risk from a 1 in 200-year (0.5% AEP) event (See Appendix A for present day and future 1 in 200-year flood mapping).
- 2.2 Another primary focus of the scheme is to protect the A3023 from flooding protecting the interest of Hayling Island. Hayling Island has approximately 17,500 residents (CENSUS 2021) and nearly nine hundred active companies registered with Companies House (GOV.UK). Visitors are attracted to the island's beaches and holiday camps and the A3023 forms the only road linking this economical area with the mainland where all major utilities and services are located. Flooding to the A3023 begins to have significant impacts from a present day 1 in 20-year event (0.5% Annual Exceedance Probability [AEP]).
- 2.3 Previous pipe bursts and road closures on the A3023 cause significant traffic delays in Havant, and cause tailbacks on the A27 and A3. Flooding on the road is likely to leave debris in the road, and cause damage to the surface, causing further road use restriction after the tide has receded. A present day 0.5% AEP (1:200 year) event is estimated to flood the road to a 0.5m water depth, with potential for 7 days of road traffic disruption while repairs are undertaken. This situation becomes more frequent with climate change, by 2120 the road is estimated to be disrupted bi-annually for 7 days or more with nearly a 1m of flood water.
- 2.4 Many of the current defences along the Langstone frontage are in poor condition and have residual lives of less than five years without significant maintenance. Ground and structural investigation works (2018/19) found that many of the defence lengths have no foundations and are being undermined, placing the properties only meters away from the risk of erosion or falling into the harbour.
- 2.5 In England there is a 3-tiered hierarchy for Flood and Coastal Erosion Risk Management (FCERM) to develop plans, strategies and schemes which enable Local Authorities to plan their work managing coastal risks. The first East Solent Shoreline Management Plan was approved and adopted in

1997, it was extended to Hirst Spit and became the North Solent Shoreline Management Plan and further adopted in 2010 (SMP2). It sets out the strategic management options for coastal risk to people, the developed, historic, and natural environment over one hundred years. The preferred SMP2 management policy along the Langstone frontage is to 'Hold the Line'.

- 2.6 To manage and understand how to implement this SMP2 policy the Environment Agency (EA), with support from the Council, developed the Portchester to Emsworth FCERM Strategy which recommended sustaining the Langstone flood protection to a minimum 1 in 75-year (1.33% AEP) standard of protection over the next one hundred years. This was adopted by Cabinet in March 2013 and approved by the Environment Agency the same year.
- 2.7 The Council recognises the Langstone FCERM Scheme as critical to the delivery of the Local Plan ambition, to ensure safe access and egress onto Hayling Island by protecting the road from flooding and erosion. As such it is the priority project on the Community Infrastructure Levy (CIL) list of projects.
- 2.8 The Langstone Scheme supports the Local Plan through:
- Tourism
 - Regeneration
 - Historic Environment and Heritage Asset
 - The Local Ecological Network
 - Protected Species
 - Solent Special Protection Area
 - Solent Wader and Brent Goose feeding and roosting sites
 - Health and Wellbeing
 - Development on the Coast
 - Chichester Harbour Area of Outstanding Natural Beauty
 - Effective Provision of Infrastructure
- 2.9 Unlocking Local Planning ambitions also enables development income which supports delivery of future infrastructure across the borough.
- 2.10 Scheme Benefits**
- **Direct Flood and Erosion Risk**
An economic appraisal has been developed for this scheme in line with HM treasury and Environment Agency FCERM Appraisal Guidance. The do-nothing cash damages for the 50-year appraisal period are £28.6 million for the core scheme.
 - **Indirect Wider Benefits Assessment**
As part of an adjacent study further analysis was made of the wider benefits of the scheme to the area. There were 4 different assessments undertaken: Gross Value Added (GVA); Tourism and Recreation Assessment; Disruption to Hayling Island; and Ecosystem Services. (See Appendix B). Key findings from this study include:

- Over 70% of those of working age commute off and onto the island using a car.
- A large spatial economic impact of the A3023 flooding. The economic damages associated with disruption to commuters is estimated to be almost £20 million over the next one hundred years.
- Over the next 10 years the existing business disruption to the two public houses located adjacent to the frontage could collectively amount to £231k through loss of earnings.
- Exeter University's Outdoor Recreation Valuation (ORVal) tool showed that there is an average of 43,147 visits to Langstone each year for outdoor recreation, worth a welfare value of £178,147.
- The scheme will improve coastal access in line with present day regulation around accessibility.
- The Flood Hazards Research Centre calculated an additional £340k of additional economic losses in relation to mental health.
- Langstone sits within a conservation area and is of huge historical importance to the region. Intervention in the form of a scheme serve to protect heritage impacts in Langstone more than doing nothing – a scenario where heritage features would be lost to erosion and flooding.
- FCERM measures help to avoid disruptions associated with power outages, transport, communications and water supply, upon which businesses and residents rely.
- An increase in flood risk could affect business confidence which in turn could lead to decreased business investment and reduced productivity.
- FCERM measures could lead to a reduction in the cost of insurance, which in turn can affect credit because flooding insurance is often required by lenders.

2.11 Scheme Design

- 2.12 A core scheme, identified through an Option Appraisal, has been developed initially through outline design and then through detailed design. This work began following Cabinet Approval in October 2020 and it is now reaching its conclusion. The project team went through a competitive tender to procure the professional services of AECOM to undertake the design work. They have incorporated a wide consultation with the community and stakeholders at four design milestones: Design Freeze, 50% Design, 80% Design and 100% design.
- 2.13 Reaching the current milestone has had a total cost of £2.1 million, this includes Appraisal, Design Commissions, Ground Investigation, Stakeholder Engagement, Early Contractor Involvement (ECI), Quantity Surveyor cost estimates, and council staff time. The Council has invested a total of £376,639 from CIL. This investment was divided equally between seed funding to the appraisal and outline design, and the detailed design progression. The remaining balance of the funding has been from Local Levy from the Southern Regional Flood and Coastal Committee (SRFCC) and national government funding namely: Other Governments Department

Funding, Frequently Flooding Communities Funding, and FCERM Covid Recovery fund.

- 2.14 At this point, the Core Scheme is estimated to have a whole life cost of £18 million and the Additional Scheme is estimated to cost a further £6 million. This includes the appraisal and design costs to date.
- 2.15 As the detailed design approaches its conclusion, approval is sought from Cabinet to continue to progress the project to prepare for construction. This preparation would include:
- Submission of planning application and design support until planning consent has been given.
 - Submission of environmental licence applications and permits.
 - Pre-qualification of contractors in advance of tendering.
 - Continued work to close the funding gap.
- 2.16 The forward plan for Langstone Scheme is to submit the Planning and Environmental Consent applications, for the Core Scheme Only, in April 2024, for determination in July 2024.
- 2.17 The project will then return to Cabinet for a further Key Decision to move forward to the construction stage in September 2024. Currently, it is anticipated that planning consent will be available, and the funding gap closed. The project is working at pace to achieve a construction start in April 2025, to lessen inflation impacts.
- 2.18 There is risk that elongated decisions or delays in closing the funding gap may extend our programme, which is sensitive to available working periods during the year and impacts of inflation.

3.0 Options

- 3.1 A full suite of options was evaluated in line with the FCERM Appraisal Guidance and in collaboration with the regulators. The strategic proposed approach is to develop and adaptive FCERM scheme with a 50-year design life offering a 1 in 200-year Standard of Protection (SOP). At the end of the design life the scheme is predicted to offer a 1 in 75-year SOP as sea levels rise.
- 3.2 This approach is in line with the SMP2 and the Portchester to Emsworth Strategy. Towards the end of the 50-year design life the approach for the next epoch will need to be considered, along with the latest understanding of impacts of climate change. It is worth noting that the difference between a 1 in 75-year SOP and a 1 in 200-year SOP is within the range of 7 – 10 cm.
- 3.3 “Do Nothing” is a baseline option considered for all FCERM schemes to understand the impacts so they can be compared with the “Do Something” options.

- 3.4 Doing Nothing, Do Minimum, and Maintain were discounted as options early in the study process because they do not deliver the objectives of the adopted SMP2 or the adopted Portchester to Emsworth FCERM Strategy. These options will cause direct damages to assets in the area but also will have significant impacts for the continued essential services for Hayling Island residents. Additionally, there will be indirect impacts for tourism, recreation, and the economy. If no decision is made to take the project forward a Do-Nothing option represents the default position for the Council. Under a Do-nothing scenario any future maintenance would not be the responsibility of the Council, although powers to act in the public interest would remain.
- 3.5 Protecting the road in isolation was discounted early in the option appraisal, because it would not meet the strategy objectives that have been adopted. The delivery of a solution would be technically difficult to achieve in this location. A temporary barrier to protect the road would increase the operational burden and risk on the Council, while adjacent properties would flood.
- 3.6 A comprehensive description of the leading option selection is referenced in Appendix C – Preferred Option Report April 2019.
- 3.7 The Core Scheme refers to the least cost scheme design that safeguards the road and protects the largest number of properties for the next 50 years. This includes 53 residential properties, and four non-residential properties. A further six residential properties will be further protected by 2040 from the impacts of sea level rise.
- 3.8 The Additional Scheme refers to the frontage to the south of Harbourside and Mill Lane, and the end of the Langstone Spit. It would enable the additional protection of 19 properties, and the Langstone Sailing Club. It is not included in the Core Scheme because it does not contribute to the primary focus of protecting the critical road infrastructure. Through option appraisal these frontages were found not viable to include in the Core Works. At this stage it has not been possible to identify any viable investment in the Additional Scheme and therefore it will not be included in the planning application.
- 3.9 The Council has maintained an ambition to support the properties outside of the Core Scheme. For this reason, a fully developed design proposal has been prepared for Harbourside and Mill Lane residents so that when the funding situation looks more positive a scheme is available to them. Furthermore, a prioritised work schedule that enables the community to implement a phased approach to protecting themselves from flood risk in the future was provided.
- 3.10 The final leading designs on which a planning application would be made are presented in the following sections. However, a fuller description with

visualisations are presented in Appendix D Langstone Exhibition Poster Booklet ([Link](#)).

3.11 Frontage 1a Hayling Billy Line North

This section of the design is a raised embankment for approximately 170m. The existing path surface will be upgraded to a three-meter shared pedestrian and cycle path on top of the flood defence embankment. After the works, the area is expected to naturalise to a similar aesthetic as before. (See page 11 of the poster booklet.)

3.12 Frontage 2 Hayling Billy to the A3023

The design incorporates a sheet piled wall as the main flood defence. There will be localised realignment of the current path to avoid buried utility services. The existing path will be upgraded to a three-meter-wide pedestrian and cycle path. There is also localised environment and biodiversity enhancement enabling Biodiversity Net Gain (BNG). (See page 12 of the poster booklet.)

3.13 Frontage 3 A3023 to the Lookout

This section has a change from the outline design proposal. To reduce capital and maintenance costs a flip-up flood barrier across the car park has been replaced with a raised bund. The bund has been designed so that it will not impede existing traffic. There is a dwarf sea wall that will run alongside the A3023 between the new bund and the road bridge. The Ship Inn will be protected with a new sea wall that will follow the existing structure. The top of the wall will incorporate local preference for flood glass to preserve the amenity of the area. The design will incorporate accessibility improvements removing the steps at the Ship Inn's beer garden and reducing the crossfall of the footpath. (See pages 13 - 14 of the poster booklet.)

3.14 Frontage 4 The Lookout to the Winklemarket

The design for this section needs to incorporate a defence that would address the risk from still water level and the poor existing quay wall condition. From the lookout to the Green a new set back concrete wall will be placed in front of the existing walls. At the Green, the wall will come away from the existing structures and go around the green. However, the path will remain on the seaward side of the wall. The footpath will be widened to a minimum of 1.5 meters to make it more accessible. Private access to the Coastguard Cottages will be provided with demountable flood boards, and the private access to Green Cottage provided for with a double leaf flood gate.

3.15 From the Green to the Winklemarket the wall will return to run parallel with existing structures. It will be clad in flint and a breathable gap will be installed between the existing property wall and the flood wall. The footpath will be upgraded to a minimum of 1.5 meters wide for improved accessibility.

3.16 Along the whole frontage the lower quay wall will be installed in front of the existing quay to avoid it collapsing during construction. This will connect to a

piled toe structure under the foreshore, and not be visible after the works. The quay wall will be clad in Engineering Brick, whereas the higher flood wall will have an appropriate heritage brick or flint cladding to match the existing vista. The seaward edge of the new path will have a post and rail handrail to prevent accidental falls from height. (See pages 15-17 of the poster booklet.)

3.17 Frontage 5 The High Street

The final design at the end of the high street consists of a new vehicular double leaf vehicle flood gate clad in timber. Beside the vehicle gate will be a single leaf pedestrian gate adjacent to the Winklemarket. The gates will be secured in an open position until needed, and returned to an open position after the risk has passed. (See page 18 of the poster booklet.)

3.18 Frontage 5 Royal Oak & Cottages

The design for this area is for a new higher sea wall between the foreshore to the design still water level in one rise. The top of the wall will incorporate local preference for flood glass to preserve the amenity of the area. The remaining part of the wall would be clad with natural stone, in a random pattern to mimic the existing. (See page 19 of the poster booklet.)

3.19 Frontage 5 Royal Oak to Langstone Meadows

After the Royal Oak the defence alignment changes to a setback position as it passes the allotment land. The transition is marked with a slot for receiving flood boards, as well as a set of emergency steps which enables residents on the flood side of the wall over the structure to safety. Vehicle access for 21 Langstone Highstreet will be through a single leaf vehicle gate connecting to a concrete flood wall that will continue along the edge of the footpath heading north. At Langstone Meadows the design continues with an earth embankment to higher ground closing the flood cell in the field behind Langstone High Street. (See pages 20 – 21 of the poster booklet). The Old Mill is not part of the scheme, although the property owner has been offered a property level flood assessment to advise on flood protection, which was declined.

3.20 The Council will ensure the demountable barriers and flood gates are closed on receiving flood warnings.

3.21 Landscape design

Having a regard for the Equality Act 2010 the accessibility of the coastal footpath will be improved. The design incorporates the minimum widths and gradients set out in the Department for Transport Mobility Guidance. Additionally, the Billy Line North will be improved to meet the requirements of Local Transport Note 1/20 for shared use paths.

3.22 Langstone is home to sensitive habitats and are nationally and internationally important for nature conservation. The design minimised the impact of the scheme on these habitats and species. Our landscape will include re-planting and habitat creation in order that the environment is more visually and ecologically diverse than it was before. This includes proposals

for hedgerow seed mixes, native tree planting, salt marsh restoration, bee posts and bat boxes.

- 3.23 The material choices made for the scheme are based on the principle of like-for-like. This enables a design that minimises any changes to the landscape architecture because of the scheme. The team would also like to implement improved interpretation and signage to enable people to explore and learn about the local environment.

4.0 Relationship to the Corporate Strategy

- 4.1 Supports the Council's 'Pride in Place' theme keeping our residents and businesses safe from coastal erosion and flooding.
- 4.2 Contributes to the 'Pride in Place' aim to maintain and enhance our coastline and harbours for wildlife and continue to deliver projects to protect our coastline.
- 4.3 Progress the initiative for the delivery of the Langstone Flood and Coastal Management plan (Corporate Project No. 4)
- 4.4 Facilitate the initiative for the delivery of the Local Plan to ensure sustainable development in the borough.

5.0 Conclusion

- 5.1 A significant driver for the project is the protection of lives and property to the community at Langstone. This scheme can directly protect 59 residential properties and four non-residential properties over its 50-year design life. Additionally, the scheme addresses the risks of coastal erosion and aging assets that undermine the existing historically important buildings.
- 5.2 A further primary focus for the scheme is to reduce flood risk to A3023 safeguarding the critical infrastructure for the wellbeing of approximately 17,500 residents of Hayling Island. The road is an important asset that is critical to the existing economy for Havant and Hayling Island. The road begins to have significant impacts from a 1 in 20-year flood event.
- 5.3 The project directly supports the delivery of the corporate strategy and has been developed within a strategic planning context.
- 5.4 The do-nothing cash damages avoided over the design life of the scheme equates to £28.6m. Wider indirect benefits are also realised, not least to the protection of daily routines, particularly those that need to travel on and off the island, for residents of Hayling Island, and the potential for economic growth and development on the Island.
- 5.5 The design of a least cost environmentally acceptable scheme is concluding. From community feedback it is evident that the community understand the need for a scheme, and they support the proposal put to them during the public exhibition in January 2024. Delivery of the scheme is estimated at a

total cost of £18 million, this includes appraisal costs, risk, and future maintenance allowances. The scheme provides a 1 in 200-year present day SOP to the A3023 and residents, at the end of the design life this will have reduced to approximately 1 in 75 years standard of protection due to current sea level rise predictions.

- 5.6 At this point, the scheme has a funding shortfall. Current funding applications do not close the whole funding gap and further funding needs to be sought from other sources, or existing contributors asked to increase their contributions. The minimum shortfall is currently £2.6 million, not including a £1.9 million application to the Other Government Department Fund, and £2.5 million bid to HBC CIL.
- 5.7 There has been a long history of open public engagement and consultation. Support has increased between outline design and completion of detailed design (See Section 8). No further public engagement is planned during the consenting stage.
- 5.8 Slowing down the project at this point has the potential to increase the funding gap due to levels of inflation predicted in the construction industry. Therefore, progression of planning and consenting, alongside further work to close the funding gap is recommended to protect the costs.
- 5.9 The project is anticipating the need to return to Cabinet for a further decision to undertake construction. This is anticipated in September 2024 and will provide the decision gateway on whether to deliver the design scheme, based upon the success in closing the funding gap and the planning application process.
- 5.10 Cabinet are being asked to approve the progression of the scheme through Planning and Consenting, at an estimated cost between £300k - £400K. A decision on the construction is scheduled for later in the year.

6.0 Implications and Comments

6.1 S151 Comments

Members should ensure they are content to progress the project knowing that there is a potential funding shortfall which has yet to be resolved. With significant levels of funding secured, there is confidence that the project can still be completed at this stage, and delaying the project will likely only see costs rise further. However, ultimately, members will want confidence that the Council will not be left in a position where it has no other option but to pick up any funding shortfall.

6.2 Financial Implications

- The outline design stage of the work was completed in 2019 and was funded by the SRFCC Local Levy (£301k) and CIL (£188.5k).
- The detailed design of the project is to be completed in March 2024. This stage was funded by Flood Defence Covid impacts fund (£101.5k), Other

Government Department Funding (£1.25 million) and Frequently Flooding Allowance (80,000) and HBC CIL (£188k). A further value is yet to be claimed from a national inflation allowance, however, we are awaiting a formal letter draw down this allocation (£76k). Should the letter not be received by the end of the fiscal year we will seek CIL and claim the money from national funds in 2024/25 to re-imburse CIL.

- Delivery of the Core Scheme is estimated to cost £18 million (including appraisal and design costs). This cost model provided by Atkins Realis (previously Faithful & Gould), is based upon the final designs from AECOM, and construction programme information the ECI contractor.
- The project team have identified the following sources of funding for the project:

Source	Confidence	Value
Community Infrastructure Levy	Allocated	£ 2,625,000.00
Local Levy appraisal	Allocated	£301,000.00
Other Gov. Departments Fund 1	Allocated	£583,437.00
Local Levy	Allocated	£794,000.00
GiA	Allocated	£1,139,937.00
Other Gov. Departments Fund 2	Allocated	£541,563.00
Covid Recovery Claim	Allocated	£101,549.00
Frequently Flooded Allowance	Allocated	£2,500,000
Other Gov. Departments Fund 3	Allocated	£1,219,629
Hampshire County Council	Allocated	£250,000.00
Environment Agency inflation	Allocated	£818,000.00
Other Gov. Departments Fund 4	Allocated	£1,900,000
Greene King Limited	Low	£
Fuller, Smith & Turner P.L.C	Low	£
Langstone Sailing Club	Low	£
Resident Contributions	Low	£
National Highways	Low	£
Additional CIL	Med	£2,500,000
Total Contributions (Allocated)		£12,774,115

Table 1 Funding sources

- A capital bid has been made to the Council for additional CIL this will be considered in February within the existing Capital Bidding process. A request for an additional commitment from Hampshire County Council has also been made. An unsuccessful expression of Interest was made to National Highways in November 2022 for financial support to close the funding gap. The Leader would like to send a letter to National Highways and the EA expressing the need for their support to the project.
- At Cabinet in October 2020 officers were asked to seek private residents' contributions. Work on this has been on-going with it featuring in our consultations regularly. Due to significant challenges with willingness and legalities this has not had success. As the project enters a more time critical stage there is concern taking further time to secure residents' financial contribution will delay the programme. Costs associated with any programme delays will increase significantly above the value of any aggregated contribution from private residents. Due to these challenges private contributions will not be actively pursued during the planning and consenting stages. Rather than pursuit of financial contribution the project will focus on good-will and non-financial support from residents.
- The total spend to date equates to £2.1 million pounds.
- The project is estimating a £300 - 400k spend for planning and consenting, this range allows for any un-anticipated professional services costs, such as any additional design requirements, or ground investigations. To expedite a tight planning and consenting stage it is proposed that Cabinet delegate the procurement of professional services, in excess of existing delegations to the Executive Head of Coastal Service, in consultation with the Chief Finance Officer, and Cabinet Lead for Coastal. Funds for this work have been secured through our inflation claim to the Environment Agency (£818k), confirmed in November 2023.
- Officers are seeking approval from Cabinet to continue to progress with the project. While the project continues to have a funding gap, work would continue to actively close the shortfall. Delaying works at this stage would increase costs and make the funding gap greater at a future date. At current construction market inflation of 7.5%, this equates to an additional £1.1m to the price per year.

6.3 Monitoring Officer Comments

Cabinet is being asked to approve the continued progression to complete the Planning and Consenting management stage of the project whilst the

Council continues to work to close the funding gap. Constitutionally, this is a matter for determination by the Cabinet. Cabinet can be assured that the project is subject to robust project management and governance arrangements.

6.4 Legal Implications

The construction of the Scheme will be carried out pursuant to the Local Drainage Act 1991 as a flood defence scheme.

6.5 Equality and Diversity

We will continue to understand the local community demographic to enhance future engagement.

Positively, from an accessible point of view, the proposals include improving the coastal access in this area, by increasing the usable width of the footpath, removing steps, and making gradients shallower. We will also be adding some fall protection.

6.6 Human Resources

Officer Resources are accounted for in the estimated costs and recovered from the blend of funding sources described above.

6.7 Information Governance

There are no data protection implications to be considered as part of the delivery of this project/scheme.

6.8 Climate and Environment

The Langstone frontage is adjacent to several environmentally designated features.

- Solent Maritime Special Area of Conservation
- Chichester and Langstone Harbours Ramsar site
- Chichester and Langstone Harbours Special Protection Area
- Langstone Harbour Site of Special Scientific Interest
- Chichester Harbour Site of Special Scientific Interest
- Chichester Harbour Area of Outstanding Natural Beauty (AONB)
- Langstone Mill Pond Site of Importance for Nature Conservation
- Langstone Conservation Area
- Mill Lane Conservation Area
- Five Grade II Listed Buildings

The project has been developed to limit the impact on the environment and these designated features. This has been achieved, primarily by minimising the encroachment of the foreshore. Minimising the heritage impacts was also an important basis of design. Focus was given to the selection of suitable matching materials. The Council's Conservation, Environmental and Planning officers. The design incorporates construction methods that preserve the environment during operations. There is also an anticipated >3% biodiversity net gain because of the project. Additionally, any unavoidable loss of habitat will be compensated through the Regional Habitat Compensation and Restoration Programme.

The following consents are required for the construction phase of the work:

- Planning permission and Listed Building Consent
- Marine Management Organisation marine licence consent
- Crown Estate consent

- Chichester Harbour Conservancy Harbour Works Licence
- Langstone Harbour Board consent
- Landowner consents
- Public rights of way diversions
- Environment Agency Flood Risk Activity Permit

7.0 Risks

7.1 Affordability

The core scheme's whole life cost estimate is £18 million. The project team have been successful in securing £11 million with a further £4.4 million in funding applications. Despite efficiencies through the design process, costs have continued to rise, and this leaves a further £2.6 million unfunded. To mitigate this risk the recommendation includes for Cabinet to approve continued working on the funding gap and cost efficiencies. This work includes returning to existing contributors and seeking an increase in the funding allocated to the project.

7.2 Programme delays

The programme is currently set out to enable an April 2025 start for construction. Because of working restrictions that protect overwintering and breeding birds delays during planning and consenting, have the potential to delay the start of construction by an additional year. In inflation terms this represents approximately £1million additional costs to the scheme at the current construction industry inflation level. Protection to the programme is therefore essential to close the funding gap.

7.3 Planning

The statutory determination period is 16 weeks from submission of a planning application. Our programme relies on the Local Planning Authority's determination within this period. We have worked closely with the local planning officer, and conservation officer, as well as receiving pre-application advice from the planning team and Hampshire County Council to mitigate risk of an unsatisfactory proposal.

7.4 Marine Management Organisation (MMO)

The MMO aim to have 90% of licence applications determined within 13 weeks of validation. Experience in this area is that these timescales are not currently being achieved. Considerable time is taken between the submission and the MMO validating the application, additionally if the MMO have a query, the query time is not included with the reply time. This may result in us needing to begin procurement without having a Marine License in place.

7.5 Economic Case

7.6 The project was assured in 2019 by the Environment Agency (EA) through submission of the Council's Outline Business Case to the EA. This completed the EA's project approval gateway for allocation of Flood and Coastal Erosion Risk Management. Our Benefit Cost Ratio (BCR) following the EA FCERM-AG appraisal guidance at the time equalled 2.0. The project's cash BCR remains healthy, however with increased cost and the

effect of discounting the BCR in present value terms is marginal. This could be key factor for national funding applications and may impact our ability to draw on additional funding. The team are working to re-affirm our existing financial assurance (secured via outline business case) holds true, given the increased costs have impacted on BCR, which is now potentially below 1 but will be confirmed through ongoing work to determine this. Additionally, there are intangible factors that provide increased benefits to the borough we can't value financially.

8.0 Consultation

- 8.1 Community views form an important part of the progression of the scheme. The assessment of the FCERM options included stakeholder and community contribution, as well as investigating what was technically possible, environmentally feasible, and financially affordable. Given differing vested interests in coastal projects there are often polarised views of what is acceptable in terms of change at the coastline.
- 8.2 An extensive public and statutory consultation were undertaken for the 1997 Shoreline Management Plan and the updated 2010 Shoreline Management Plan.
- 8.3 Extensive consultation took place as part of the Portchester to Emsworth FCERM strategy (2013).
- 8.4 Both the outline design and detailed design stages of the project have been guided by a detailed communication and engagement plan. As part of this work a Langstone Stakeholder Working Group (LSWG) was set up and comprises of key parties in the community.
- 8.5 The LSWG worked to agree Terms of Reference and agreed the aim: “*create a collaborative partnership between key stakeholders in the Langstone area, and the project team ... to represent the local community through the Langstone FCERM Scheme*”. The group is hosted by Coastal Partners and membership includes: Havant Civic Society; Langstone Residents Association; Langstone Village Association; Langstone Sailing Club; Front Line Residents Group; Mill Lane and Harbourside Sea Defence Group; Langstone Road Residents Group; Coastguard Cottages Residents Group; Langstone Cutter Rowing Club; Langstone Flood Watch; Save our Shores; Solent Protection Society; Langstone Conservation Group; Chichester Harbour Conservancy; local business managers; Langstone Harbour Board as well as the conservation and heritage officer of the Council. No one asking to be included in the LSWG has been turned away.
- 8.6 Three meetings and workshops were held during the outline design to seek views and feedback to inform and influence option development. A further three meetings and workshops have been held during key project stages through Detailed Design. These key stages were at the start of Detailed Design, at 50% of the way through the design process and again at 80% through the design process.

- 8.7 There was also a separate site visit with the residents of Mill Lane and Harbourside. This was followed later in the design process with two public meetings for Mill Lane and Harbourside residents (May 2022, and February 2023). These meetings resolved to progress the Prioritised Works Schedule, because of the scale of escalating costs for delivery of the Additional Scheme. They also determined the leading options to be included in the schedule.
- 8.8 All frontline residents have been met on an individual basis either in their homes or on site. This has allowed them to evaluate and influence the development of the design and the impact on their property.
- 8.9 Previous public exhibitions were held in November 2018 and in January 2020. These helped shape the outline design options for the scheme as well as gauge levels of public support through consultation. At that time there was strong support for the scheme although, there remained some polarised views along the frontages. 76% agreed of the need to reduce flood risk and erosion to the Langstone Community.
- 8.10 A further Exhibition was held in January 2024. The purpose of this exhibition was to display the final designs for the scheme demonstrate our visualisations and invite discussion about concerns members of the public had. The successful event attracted 170 people from the community and wider borough. The display materials were also placed on public display in the atrium of the Plaza for visitors to the building to see.
- 8.11 A consultation was conducted on the final design, this ran between the Exhibition and early February 2024. A total of 85 responses were received and a summary document is included as Appendix E. **93% of respondents** understand there is a need to reduce coastal flooding and erosion risk to the community. There is an overwhelming level of support for the scheme with **90% supporting** delivery of a scheme, and 68% of those respondents indicated strongly supporting the scheme. The areas of most interest to the community, indicated from the feedback, are flood risk to property, heritage resilience, and habitats and landscape. To maintain views and use complimentary materials also came out highly.
- 8.12 All the engagement and consultation has been thoroughly considered when developing and shaping the design for this scheme. There is confidence from the community consultation that there is understanding of the need for the scheme, as well as significant support within the community.
- 8.13 Despite extensive liaison and discussions with concerned residents, a small minority of residents perceive that the correct guidance has not been followed or that there is no need for the protection of the village from flood risk. There are also remaining views that the design, particularly in front of the Royal Oak is not suitable for the area. Despite prolonged engagement and correspondence, it has not been possible to change these perceptions.

9.0 Communications

9.1 The decision-making process has been set out to the public during our exhibition. Once decided upon there will be a Communications Plan to lead the project through planning and consenting to the next decision point in September.

9.2 Council decisions are be published on the Council's website when available.

Agreed and signed off by:		Date:
Cabinet Lead:	Councillor Liz Fairhurst	14/02/2024
Executive Head:	Lyall Cairns	14/02/2024
Monitoring Officer:	Jo McIntosh	27/02/2024
Section151 Officer:	Steven Pink	15/02/2024