

**URN:**

**Subject:** Hemsby – update management of coastal erosion.

**Report to:** Executive Leadership Team – 9<sup>th</sup> November 2022

Environment Committee – 15<sup>th</sup> November 2022

**Report by:** Coastal Manager, Coastal Partnership East

#### **SUBJECT MATTER**

This report provided a general update on the management of coastal erosion at Hemsby. This includes a general update in relation to planning approval and reviews the findings of the wider economic business case for the areas.

A confidential appendix considers investigations which could be considered to prevent additional erosion to the most vulnerable areas of Hemsby coastline.

#### **RECOMMENDATION**

That Committee

1. Notes progress on the work completed to date to gain planning permission, marine licence and Coast Protection Act consent for the Hemsby Rock berm.
2. Notes the findings of the Wider Economic Appraisal.
3. Supports consideration of a capital submission for interim works at Hemsby.

### **1. Planning permission, marine licence and Coast Protection consent.**

Great Yarmouth Borough Council's Planning Committee approved a recommendation in April 2022, to delegate authority to the Head of Planning to approve the application for the Hemsby Rock Berm. This was subject to conditions and passing the Habitats Regulations Assessment and Appropriate Assessment as necessary, providing no adverse comments were received from the Environment Agency, Natural England, Norfolk County Council Historic Environment Service (Archaeology), and Norfolk County Council Natural Environment Team (Ecology). In the event that comments were received from those consultees which state objections or request conditions which are not practical for inclusion within the project, the application would revert back to Great Yarmouth Borough Council's Development Control Committee for the application's determination.

In parallel with this, Coastal Partnership East have continued to work with the Marine Management Organisation in order to gain a marine licence for the proposed works and gain consent under the Coast Protection Act 1949. Marine Management Organisation and Coast Protection Act notices were served in August 2022 relating to Hemsby Rock Berm, with no objections received.

The Marine Management Organisation have now produced a draft decision notice for the marine licence for the Hemsby Rock Berm including conditions, which has been reviewed and responded to by Coastal Partnership East. Most of these are standard conditions, although there is a requirement for a geoarchaeological written scheme of investigation to be submitted and approved at least 8 weeks before construction commences including anchorage exclusion zone and vehicle access arrangements. In order for this to proceed through the Coastal Concordant process, the Marine Management Organisation are now waiting for the planning decision documents to be submitted to themselves from Great Yarmouth Borough Council. The Coastal Concordant applies to the consenting of coastal developments in England where several bodies have a regulatory function and is designed to form the basis of agreements between the main regulatory bodies and coastal local planning authorities. It provides a framework within which the separate processes for the consenting of coastal developments in England can be better coordinated.

The submission of the planning decision documents by Great Yarmouth Borough Council are required by the Maritime Management Organisation to draft their deferral documents so that the decision regarding the marine licence can be deferred to Great Yarmouth Borough Council as the planning authority.

It may be necessary for the Marine Management Organisation to explore making its own Environmental Impact Assessment consent decision if they are not in receipt of planning decision documents from Great Yarmouth Borough Council, although the Marine Management Organisation want to avoid this if possible.

## **2. Wider economic appraisal to support funding case**

Great Yarmouth Borough Council, through the Coastal Partnership East team, has commissioned consultants AECOM to undertake a Wider Economic Appraisal for Hemsby to quantify the impact of coastal erosion to the local economy and community, with an aim to support an application for Grant in Aid for the Hemsby Rock Berm Scheme through the Environment Agency's Partnership Funding Calculator. It must be noted that whilst some of the economic impacts detailed within the appraisal can potentially be included within the Environment Agency's Partnership Funding Calculator, other economic impacts supporting the application for Grant in Aid through the completion of an outline business case, may not be included in the Environment Agency's Partnership Funding Calculator.

The local economic impacts considered include economic value linked to businesses, tourism, private properties, roads, footpaths and future development. The majority of the economic values presented in this study are additional to those included as part of the original high-level assessment for the Hemsby Rock Berm scheme, however, there is some cross over through the property value impact assessment.

The risk of coastal erosion has been assessed across three time periods, using coastal erosion rate estimates from the Environment Agency: Short Term (present day – 2042), Medium Term (2042 – 2072) and Long Term (2072 – 2122). All economic appraisals use a standard baseline measure of Do Nothing. This is used to help understand the full implications for the economy. The economic impacts of erosion that would occur with a Do-Nothing scenario have been assessed for a 20-year appraisal period, to align with the initial design life of the proposed scheme, as well as a 50-year and a 100-year appraisal period to estimate the potential benefits for the future. The Wider Economic Appraisal report provides the economic impacts in undiscounted cash terms and discounted terms, known as present value (PV).

Under a Do-Nothing scenario, coastal erosion is predicted to lead to the economic impacts outlined below. The construction of the scheme is likely to reduce some of these impacts over the next 20 years and provide a benefit to the local economy. After this, subsequent schemes that stop further erosion would be required to prevent the remaining impacts to the local economy.

- Gross Value Added (GVA) – the impact of coastal erosion on businesses / jobs, particularly small and medium size Enterprises (SMEs) and businesses within the tourism industry. If erosion should occur as predicted and no measures taken, all businesses in the study area at risk of coastal erosion are predicted to be significantly impacted in the future, resulting in loss of income to employees and an impact to the local economy. In the next 20 years, with the Do-Nothing scenario, the total GVA impact due to erosion is estimated to be £1.5million in PV terms.
- Based on the data available, GVA impacts are estimated for a total of 162 Full Time Equivalent (FTE)s across a 100-year appraisal period. Of these estimated 162 FTEs, 149 are within the visitor economy and therefore the impacts to businesses in the tourism industry are likely to be greater than other sectors. Knock-on impacts to other businesses within Hemsby that are not at direct risk of erosion could also occur. There estimated to be over 400 FTEs within the area within the visitor economy and eroding shoreline / loss of beach access may result in indirect impacts to these businesses.
- Impact associated with loss of car park income - two seafront car parks are predicted to be at risk of erosion over the next 100 years if the scheme is not delivered. This could reduce the income to the car park owners. The total impact is estimated to be approximately £938k PV for the next 20 years.
- Impact to Great Yarmouth Borough Council income – from council tax. Multiple residential properties are predicted to be at risk of erosion over the next 100 years if the scheme is not delivered. This could reduce the income of Great Yarmouth Borough Council from council tax. The total impact is estimated to be approximately £68k PV for the next 20 years.
- Analysis of the extent and value of the visitor economy – impact of coastal erosion on tourism. In Great Yarmouth and the surrounding area, tourism accounts for 37% of employment and generated £649million in 2019. Erosion and loss of the access to the beach at Hemsby could greatly reduce visitor numbers and impact the economy. It is difficult to establish how much erosion of the coastline may impact tourism numbers in the area. However, in the event that local tourism income fell by 20%, the total financial impact is estimated to be approximately £16.5million for 20 years in PV terms. Sensitivity tests have been undertaken to determine the monetary impacts should the visitor numbers reduce more or less than 20%.
- Value of private properties and holiday homes – impact of coastal erosion on properties. Although there are no holiday properties at risk within the study site, several residential properties are at risk over the next 100 years. Without any coastal protection, the full value of these properties could be lost. The estimated value of all properties at risk from erosion is £1.6million PV in the next 20 years.
- Coastal Recreation – the value of outdoor recreational spaces has been calculated using the University of Exeter’s ORVal tool, which uses a ‘willingness to pay’ factor to value outdoor recreational sites such as the Hemsby beach and the surrounding area. In the event of a 50% reduction in recreational visitors, the local economic impact on recreation would be expected to be £893k PV over the next 20 years.

- Health and Wellbeing – the value of walking and cycling on mortality levels has been calculated using the World Health Organisation HEAT tool. The erosion of Hemsby beach and the surrounding area could result in less people being able to walk or cycle, potentially reducing the population's physical activity levels and increasing mortality. Without a scheme in place this impact is estimated to be £511k PV over 20 years.
- Critical Infrastructure – a qualitative assessment of the impact of coastal erosion on transport networks and electricity supply has been undertaken. There are no electricity substations at risk over the next 100 years, however there are some roads at risk. Loss of these roads would result in loss of access to car parks, properties and increased traffic elsewhere. Severe damage could lead to considerable road reconstruction costs. There are also a number of foul sewers in proximity to the seafront, often running beneath / adjacent to roads such as Fakes Road and St Mary's Road. Parts of these sewers are in the erosion zones and are therefore expected to be at risk in the future.
- Redevelopment and Regeneration – a qualitative assessment of the impact of coastal erosion on future growth within Hemsby has been undertaken. Policies within the Great Yarmouth Borough Council Local Plan refer to regeneration and growth of tourism, particularly supported by the development of the land at the former Pontins Holiday Camp. Erosion of the beach and seafront facilities at Hemsby would decrease visitor numbers, reducing opportunities for economic growth and enhancement of tourist attractions.

In summary, under the Do-Nothing baseline without measures, the impact of coastal erosion in the study site could reach £22million in PV terms over the next 20 years, £62million over the next 50 years and £92million over the next 100 years. This assumes a 20% reduction in tourism numbers due to a deteriorating environment, beach and infrastructure system.

Hemsby Rock Berm Scheme is expected to reduce the rate of erosion at the site by 70% over the next 20 years (as per the recent public consultation materials for the project). With the scheme in place a number of the monetary impacts would be expected to be reduced and therefore generate an economic benefit (relative to the Do-Nothing baseline). These include GVA impacts, car park income, visitor economy impacts, coastal recreation impacts, health and wellbeing impacts, critical infrastructure impacts and regeneration. Implementation of the scheme is likely to benefit Hemsby and the wider Great Yarmouth region, increasing opportunities for the visitor economy to grow, increasing business confidence and leading to greater spill over benefits.

### **3. Works to prevent additional erosion to most vulnerable areas.**

With work progressing to deliver the ability, subject to funding, for the wider rock berm this appendix considers option which may be considered to minimise additional erosion to the most vulnerable areas of Hemsby.

Confidential appendix attached.

Area for consideration	Comment
Monitoring Officer Consultation:	Included
Section 151 Officer Consultation:	Included
Existing Council Policies:	Noted
Financial Implications (including VAT and tax):	Noted
Legal Implications (including human rights):	Noted
Risk Implications:	Noted
Equality Issues/EQIA assessment:	Noted
Crime & Disorder:	None
Every Child Matters:	None