

Sandwich Town Tidal Defences

Profiling Partnership Funding

August 2013

Summary

Sandwich Town and the neighbouring Discovery Park Enterprise Zone will benefit from a new tidal flood risk management scheme. It includes extending a local nature reserve to make space for flood water. It will cost £25 million to construct and maintain and is funded through a partnership between the Environment Agency, Pfizer and Kent Country Council.

The opportunity to reduce flood risk

This scheme will protect a large part of Sandwich Town and the new East Kent Enterprise Zone, which is just across the River Stour from this medieval Cinque Port.

When complete 486 homes, 90 businesses, key and major employment sites will benefit from improved protection against tidal flooding. It will also extend an adjacent local nature reserve in the form of a 58 hectare wetland habitat and grazing land area within the 240 hectare tidal flood relief zone. Contributions by pharmaceutical multi-national Pfizer and the Regional Growth Fund, via Kent County Council make the scheme viable.

Vital statistics

Total scheme cost - £21.7 million, plus £3 million Present Value maintenance costs.

FCRM economic benefits total - £224 million.

FCRM GiA - £11.9 million

Contributions total - £9.8 million from Pfizer and Kent County Council

Kent County Council will also contribute to the ongoing maintenance costs of the scheme.

Key issues

- Identifying more cost beneficial options than in the Pegwell Bay to Kingsdown (coastal) strategy defined a starting-negotiation position.



- When Pfizer (representing 84% of the economic benefits) announced they would be making a substantial withdrawal from the site, the whole economic appraisal and investment case had to be re-worked.
- The project team engaged with and supported the Economic Task Force and Enterprise Zone proposal and progressed the investment partnership needed to secure approval of the flood risk management scheme.
- The reworked options and economic analysis helped secure a substantial contribution from Pfizer.

Partner perspective

Paul Carter, Leader of Kent County Council and Chair of the Sandwich Economic Task Force said: *"Securing an enterprise zone and sorting out the flood defences to secure the site are massively important in enabling inward investment and job creation to take place".*

"Not only have we been able to negotiate flood protection for the Sandwich site, but also for the residents and businesses of Sandwich town"

"This is really good news for Sandwich and East Kent and I am extremely grateful to the Environment Agency, BIS, DEFRA, Pfizer and KCC for sitting round the table and brokering a solution."

People



Project manager - Richard Townson (NCPMS)

Contribution and economic analysis - Richard Walker and Nicole Shamier

Stakeholder engagement & realising negotiations - Andrew Pearce (Area Manager, Kent and South London) and Ian Nunn (Operations Manager, Kent).

TIMELINE

2007/08

Pegwell Bay to Kingsdown Flood and Erosion Management Strategy is developed within the context of the SMP and the River Stour Catchment Flooding Management Plan. It confirms policy of *'take action to reduce flood risk'*.

2008/09

Pegwell Bay to Kingsdown Flood and Erosion Management Strategy approved by Environment Agency and Dover District Council

2009/10

Consultation meetings with the Tidal Flood Relief Area Design Working Group. Open meetings and newsletters with local community.

Options appraisal is developed by the project manager and framework partners.

More cost beneficial options are identified as part of economic and beneficiary analysis. A starting negotiation position with Pfizer defined.

2011

February: Pfizer announce planned closure of the site and operations, with 2,400 people expected to be made redundant over next 2 years.

February - April 2011: Economists help the project manager to rework the economics of the appraisal applying the Partnership Funding Policy and draft principles and defining a need for substantial local contributions to make the scheme viable. Area Manager takes direct and pro-active involvement in East Kent Task Force identifying to stakeholders the need for investment in FCRM to support a viable Enterprise Zone.

August: Scheme Project Appraisal Report (PAR), subject to commitment of contributions, achieves a 120% PF score.

September: heads of terms with both contributors are agreed and Detailed Design services procured.

2012

February: legal agreement with Pfizer.

November: legal agreement with Kent County Council.

2013

February: Construction starts, expected to take 2 years to complete.

