

Brighton & Hove City Council

Cabinet

Agenda Item 194

Subject: Brighton Marina to River Adur Flood and Coastal Erosion Risk Management (FCERM) scheme – Project Update and Phase Two Procurement Strategy

Date of meeting: Thursday, 24 April 2025

Report of: Cabinet Member for Transport, Parking and Public Realm

Lead Officer: Name: Corporate Director- Operations

Contact Officer: Name: Steven Parker

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Ward(s) affected: (All Wards);

Key Decision: Yes

Reason(s) Key: Expenditure which is, or the making of savings which are, significant having regard to the expenditure of the City Council's budget, namely above £1,000,000 and is significant in terms of its effects on communities living or working in an area comprising two or more electoral divisions (wards).

For general release

1. Purpose of the report and policy context

- 1.1 Brighton & Hove's Council Plan outlines our mission to develop a flourishing and inclusive local economy in a city that is accessible and has a sustainable environment we can all be proud of. The seafront and beaches are a core part of this mission with a commitment to both protect and manage our unique coastal environment through innovation and investment.
- 1.2 The Brighton Marina to River Adur - Flood and Coastal Erosion Risk Management (FCERM) Scheme (the Scheme) - is core to realising our aims and is necessary to protect our beaches and foreshore from erosion, and the city from floods and associated damage.
- 1.3 Following the completion of Phase 1 the purpose of this report is to seek cabinet approval and delegated authority to deliver Brighton & Hove's Phase 2 commitment which consists of work within its boundary.
- 1.4 This approval would include an increase in the capital contribution from £6.515m to £11m and the release of the unapproved budget sums outlined in Part 2. This increased sum is due to additional shingle replenishment / recharge required to stabilise the beach bays and inflationary cost over the last 5 years.

2. Recommendations

- 2.1 Cabinet agrees to increase the capital contribution for the BHCC Phase 2 works from £6.515m to £11m for the Brighton Marina to River Adur Flood and Coastal Erosion Risk Management (FCERM) Scheme.
- 2.2 Cabinet agrees to release the unapproved sums - allocated to the Scheme for the purposes of BHCC Phase 2 works and contained within the forward capital plan - to approved status. These sums are stated in Part 2
- 2.3 Cabinet agrees to authorise an open procurement process to select a suitable and competent supplier to carry out the BHCC Phase 2 construction works within the BHCC area.
- 2.4 Cabinet delegates authority to the Corporate Director City Operations to take all steps necessary to award a suitable construction contract to the preferred bidder and enter into the contract and any associated warranties / documents.
- 2.5 Cabinet delegates authority to the Corporate Director City Operations to take all steps necessary to act as Lead Authority in project managing the Scheme on behalf of the stakeholders and the Environment Agency. This includes providing a loan to Shoreham Port Authority for the value of the works within their area of circa £2.5m. This forms part of the overall budget of £11m as stated in 2.1 above.

3. Context and background information

- 3.1 Brighton and Hove City Council has both responsibility and powers under the Coast Protection Act 1949 and Flood and Water Management Act 2010 - which created Lead Local Flood Authorities (LLFA); a status held by BHCC.
- 3.2 Within the Flood and Water Management Act 2010 the Environment Agency was required to develop a national flood and coastal erosion risk management strategy (FCERM) for England; updated 2020. Feeding into this strategy was both the LLFA's and Regional Management Authority's (RMA's) which Brighton & Hove City Council hold within its unitary authority status.
- 3.3 The Brighton Marina to River Adur project is an FCERM Scheme, designed to improve, enhance and create better defence solutions along the low-level lying stretch of coastline between the two points of Brighton Marina and the mouth of the River Adur.
- 3.4 Brighton and Hove City Council are the Lead Authority for the Scheme, and there are three key stakeholders / partners who are;
 - Brighton & Hove City Council
 - Adur & Worthing Councils
 - Shoreham Port Authority

- 3.5 Each partner is responsible for financing their capital contribution and is independent in this regard. No financial responsibility to deliver work outside each partners boundaries exist.
- 3.6 The Scheme partnership was created to share resources and deliver better value for money across this low lying vulnerable coastal stretch as well as seeking grant in aid via the FCERM opportunity.
- 3.7 The Scheme will provide extended shingle beaches, improvements to existing defence structures and additional rock revetements to better protect our crucial assets from the impact of storms and erosion that occurs over time and is likely to increase due to global warming.
- 3.8 The Scheme has two phases – 1 and 2 - and Phase 1 has already delivered a fully costed detailed design and specification, planning and licensing and biodiversity net gain once works are completed. In addition, construction work near the Lagoon at Hove Deep Sea Anglers and part of Southwick beach were included within the first phase.
- 3.9 The works specific to Brighton and Hove City Council in Phase 2 are located at Kings Esplanade and Southwick Beach (BHCC Phase 2). The main cost of these works is Kings Esplanade where the old groynes are being taken out, new extended ones built, and a replenishment of shingle pumped onto the shore to stabilise the beach bays in this area.
- 3.10 The Scheme was approved (comprising Phases 1 and 2) by the Environment, Transport and Sustainability Committee in June 2019 and then submitted to the Environment Agency for their approval. Delegated approval was given by the Environment, Transport & Sustainability Committee to enter into a Memorandum of Understanding and collaborative agreement with both Adur District Council and Shoreham Port Authority for the combined submission to the Environment Agency of the Brighton Marina to River Adur Outline Business Case (OBC). The Committee was also updated in June 2020 and July 2020 when authority to enter into agreements and award contracts were approved and delegated.
- 3.11 The OBC was approved by the Environment Agency (EA) on 26 November 2020 with a grant in aid (GIA) contribution of £12,085,444 and an agreed total scheme value of £35.526m. BHCC were approved as the lead authority both managing the Scheme outcomes and providing resources and oversight where necessary. These costs are recoverable and viewed as legitimate project expenditure.
- 3.12 In 2021 – at the request of the Environment, Transport and Sustainability Committee – the Procurement Advisory Board (PAB) reported and recommended to divide the scheme into two phases, use the EA framework to award two contracts and, to enter into all necessary agreements to procure and deliver Phase 1.
- 3.13 In 2021 a further £2m of funding was provided by the EA to accelerate Phase 1 of the Scheme so that physical works could start in 2022 within

BHCC areas. This work was completed as part of the Phase 1 delivery in early 2024 and was awarded via the EA's construction delivery framework. Delegated authority was passed to the then Director of Services to carry out all necessary decisions in-line with all previous approvals and updates.

- 3.14 In February 2025 the Scheme achieved completion of Phase 1 and is now moving into Phase 2. It is important that Phase 2 is a continuation so the team can deliver consistency, clarity and value in line with FCERM requirements and within the GIA timeline of year end 2027/28: 6 years from approval.
- 3.15 As this report is released BHCC is in discussions with the EA for additional grant in aid funding as well as other potential sources that help and assist works that feed into the FCERM strategy. This includes recent request for BHCC to apply for grant monies available in the financial year 2025/26.
- 3.16 The required works within BHCC are in two key areas. These are;
- Kings Esplanade (New Groyne Field)
 - Southwick Beach, Hove (rebuilding of depleted sea defences).
- 3.17 The process to deliver these two areas to meet our commitment is an open tender process through the shared InTend portal to achieve maximum value for money. This process has already begun in respect of preparing the Tender Package which is expected to be released at the end of April 2025.
- 3.18 At the current time the programme to begin works at Kings Esplanade is late September 2025 so the works can be completed around May 2026. At Southwick beach the work will be started during 2026 with completion by April 2027. It may be possible to start the work earlier if the loan agreement with Shoreham Port Authority is signed and in place.
- 3.19 As Phase 1 comes to an end the EA require the Lead Authority (BHCC) to update on the future works programme for each area and also provide any request for additional funding based on revised design cost and inflationary uplifts. This update is provided by way of a revised Outline Business Case (OBC).
- 3.20 This revised OBC will be submitted in April 2025 and includes a request for additional funding. Discussions with the EA have taken place during the revision process and the Scheme is viewed favourably having completed Phase 1.
- 3.21 In summary, the OBC update shows the overall Scheme value has increased from £35.526m to £41.5m and the updated grant in aid claim is for an additional £5m over the current allocation.
- 3.22 In respect of Kings Esplanade, the Brighton & Hove Sea front and its iconic beaches act as both a catalyst for visitors and residents as well as providing the first line of defence against flooding and erosion. The shingle helps reduce the wave energy through absorption and dissipation, but the shingle

also shifts and moves along the shoreline creating seasonal and tidal levels within the foreshore. Overtime shingle can be lost requiring intervention in a process known as recharge or replenishment and cost millions of pounds for even the smallest operation.

- 3.23 Groynes are designed to trap shingle and sediment preventing the action of longshore drift (the movement and loss of shingle) and have the effect of stabilising the beach which can last indefinitely if maintained. We have seen successful developments along many sections of Brighton & Hove Sea front that are located beyond the original sea wall and benefit from both foot fall and destination activities and leisure.
- 3.24 In the last 100 years the beach has dramatically widened in areas like Madeira Drive / Terrace where the shingle is now sitting around 3 to 4 meters higher due to intervention and the marina development.
- 3.25 Phase 2 of the Scheme covers nearly all the Southwick beach front as well as the Kings Esplanade in Hove. As the lead authority managing the Scheme on behalf of the stakeholders BHCC will endeavour to work with both Adur and Worthing and Shoreham Port Authority to help them meet their commitments.
- 3.26 In this regard a £2.5m loan facility to Shoreham Port Authority for the area within our boundary but on their land has formed part of the overall strategy for delivering the Scheme. The terms of the loan will be agreed under delegated authority by the Corporate Director of City Operations

4. Analysis and consideration of alternative options

- 4.1 BHCC Phase 2 requires specialist services across design, management and delivery. These services are not currently available within the council. The consequences of not carrying out improvements and enhancements to both the beaches and other defences would mean parts of the city would suffer erosion, storm damage and asset failure particularly along Hove's newly developed areas.
- 4.2 In addition, as lead authority our obligations to manage the Scheme and report back to the Environment Agency would fall away if we were to now not move forward; affectively stopping at the completion of Phase 1. This would likely harm any future government funding applications on coastal and other flood defence schemes, weaken our ability to be a trusted partner and have implications around the current investment (GIA) already spent.
- 4.3 Phase 1 construction work was procured using the Environment Agency Construction Delivery Framework (CDF) which is a single supplier framework. This was agreed as part of the accelerated works package.
- 4.4 Phase 2 work will be procured via an open tender format utilising the In-Tend portal to advertise the tender and in-house procurement services within BHCC.

- 4.5 The tender package will be completed and ready for issue by the end of April 2025. If there is no loan agreement in place with Shoreham Port Authority then that section of work would not start until discussions with both stakeholders and the Environment Agency to resolve the funding.
- 4.6 Other options are that Shoreham Port Authority raise the money privately however this goes against the general consensus since 2021 and would potentially cause conflict around delivery and management costs.

5. Community engagement and consultation

- 5.1 The wider Scheme and proposals to the Kings Esplanade beaches have been extensively promoted both internally and externally to all stakeholders over the last 5 years including press releases, internal presentations to councillors and wider directorates.
- 5.2 In recent times a Public Engagement session was held at the King Alfred Leisure centre where both attendance and feedback were positive and in favour of the Scheme. This involved residents, business owners, educational facilities and Councillors meeting the Project Team publicly including open engagement about the Scheme, the detailed design and outline program.
- 5.3 As the Scheme progresses, communication and engagement with the community, including our valued partners and businesses who are part of our seafront community, will continue with discussions on how to minimise the disruption as the scheme reaches delivery. In addition, we have openly engaged with Schools and intend to offer opportunities for both participation and engagement with the construction process. This will include the opportunity for schools to make and help attach biodiversity systems to the new groynes to help encourage sea creatures growth and prosperity along the intertidal zone.
- 5.4 In addition, and following a planning review an application for consent was submitted on 11th October 2024 (BH2024/02513) for the Kings Esplanade groyne replacement. All consultee and public comments are in support of the scheme.

6. Financial implications

- 6.1 Total costs for the wider Scheme have risen by £5.974m from £35.526m to £41.5m, this is a result of increased costs in addition a larger volume of materials required to complete the project than originally estimated. The main report outlines that the project has already had grant funding approved of £14.085m and it is anticipated that there will be further grant available of £5.414m which covers much of the increase in costs, with a minor impact on other partners involved in the project.
- 6.2 The increase in grant has not been approved yet and so represents a risk to the Scheme. Should the claim be refused this risk would be carried by the partners and then these will be additional costs the partners will share and BHCC share may be met from borrowing, or risk the project not proceeding.

6.3 Further financial implications are contained in Part 2

Finance Officer consulted: Craig Garoghan

Date: 07/04/25

7. Legal implications

7.1 The Council has the power to take forward the arrangements contemplated by this report pursuant to section 1 of the Localism Act 2011 which allows the Council to do anything that an individual may do subject to any statutory constraints on the Council's powers. None of the constraints on the Council's s.1 power are engaged by these decisions. The exercise of the delegated authority by the Corporate Director City Services to provide a loan facility to the Shoreham Port Authority will be subject to the necessary due diligence as well the agreement of terms in compliance with the Subsidy Control Act 2022.

7.2 In proceeding with the procurement contemplated by this report, the Council is required to comply with the Procurement Act 2023 in relation to the procurement and award of contracts above the relevant financial threshold for works. The Council's Contract Standing Orders will also apply.

Lawyer consulted: Siobhan Fry:

Date:10/04/2025

8. Risk implications

8.1 The risk implications of not supporting the requested decisions include the potential loss of further GIA funding as well as an overall increase in project costs.

8.2 Erosion and flooding would be inevitable at some point in the near future should the scheme be cancelled and not go ahead.

8.3 The King Alfred Leisure centre sits directly behind the potential new groyne field and extended shingle beaches. If the King Alfred development precedes the Scheme there is likely to be no opportunity to carry out the works until the main build is completed.

8.4 This would mean mothballing the BHCC element of the Scheme until it could be restarted. This again may reduce or cancel any outside funding from the EA and would increase costs.

8.5 The current timeline is to issue the Tender Package by the end of April 2025 in order to have the works shovel ready to meet a start date of September / October 2025. A delay to the issuing of the Tender may cause further delay and financial implications further down the line.

9. Equalities implications

- 9.1 Equality Analysis has been carried out through a project screening process to give due consideration to equality, diversity and inclusion. This was submitted as part of the OBC and the Council's diversity team has been consulted.
- 9.2 Establishing relevance was determined around restrictions to any particular group (protected and others) in regard to the sea defence activities within the scheme.
- 9.3 Due to the nature of the improvements and the fact no new amenities are being constructed (replacement and repair only) the overall implications are neutral.

10. Sustainability implications

- 10.1 The project has both net zero and biodiversity at its heart in respect of contributing to the wellbeing of the city.
- 10.2 Energy: where possible reduced emissions will be created using biofuels where no alternative to hydrocarbons exists. Consumption will be reduced wherever possible and clean energy use will be encouraged across the Scheme utilizing a mix of clean energy options.
- 10.3 Travel & Transport: the team are committed to keeping activities local to reduce travel and transport requirements and to also encourage shared services where possible.
- 10.4 Sustainable procurement: we are encouraging through our key qualification questions the need for suppliers to provide evidence and examples of their commitment to operating in a culturally sustainable manner as a business.
- 10.5 Sustainable economy: the Scheme has and continues to encourage local participation by suppliers. Many of the team live locally.
- 10.6 Health Safety and Wellbeing: the suppliers and future suppliers have and are required to demonstrate environmental credentials, their commitment to operating in a proactive manner and their legislative responsibilities.
- 10.7 Construction Environmental Management Plan (CEMP): all our suppliers and delivery partners both contribute and work to assist each other in ensuring clarity and best practice.
- 10.8 Biodiversity and nature conservation: the beach and the designs delivered are to be constructed allowing for an increase in biodiversity net gain, protection of existing non-invasive species and encouragement of new colonies within a designated set aside area. This will help establish a connection of flora and fauna with existing established areas all along the seafront.

11. Health and Wellbeing Implications:

- 11.1 The Beach and the structures built for sea defence have the added benefit of offering opportunity for wellbeing. This includes physical and mental and is shared across all groups helping to reduce inequality.
- 11.2 The promenade, beach access and facilities built on the defence structures include education and skills, healthy places for communities, transport links and shared spaces bringing together people and communities.
- 11.3 The outcome for the wider beaches and sea front forming the Scheme will in better sea defence and increased wellbeing for millions of residents and visitors per year.

Other Implications

12. Procurement implications

- 12.1 The procurement strategy was set out and agreed in 2020 and further updated through the approval process. The Scheme was split into two phases 1 and 2.
- 12.2 Procurement of BHCC element of Phase 2 is via open tender and there are no issues or concerns regarding this route.

13. Crime & disorder implications:

13.1 The BHCC sea front is managed and overseen by the Seafront Office Team. They provide users, visitors, traders and property owners with points of contact, patrols and regular updates to local business. The works to be carried out are not creating new facilities or changes to existing useable space and therefore there is no impact in respect of crime and disorder.

14. Conclusion

- 14.1 The Brighton Marina to River Adur Scheme forms part of the wider strategy to make sure the land, buildings, infrastructure, business and residents are protected against erosion and flooding. In future years sea levels will rise, and storms will become more frequent, increasing risk damage and disturbance to the sea front.
- 14.2 The approved FCERM Scheme has successfully completed phase 1 and BHCC Phase 2 is now ready to be started. The approvals sought are in line with the historic approvals, wider strategy objectives and the funding provided by the Environment Agency.

Supporting Information:

Appendices:

None

Background Documents

- BMRA Strategy Appraisal
- Procurement Strategy
- EA FCERM Approval
- EA Acceleration Approval
- EA Use of Accelerated Approval
- Procurement Advisory Board Report 2021
- EA Grant Memorandum
- Partners Memorandum of Understanding
- Brighton & Hove photos of change (Maderia)