

Brighton & Hove City Council

Cabinet

Agenda Item 50

Subject: DFT - Structures Bid - King Arches Phases 6 & 7

Date of meeting: Thursday, 3 September 2026

Report of: Cabinet Member for Transport & City Infrastructure

Lead Officer: Corporate Director- Operations

Contact Officer: Nick Bean

Email: Nick.Bean@brighton-hove.gov.uk

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 Cabinet is requested to approve the inclusion of a £4 million Brighton & Hove City Council contribution alongside a proposed £37 million bid to the Department for Transport's Structures Fund for Phases 6 and 7 of the A259 Seafront Arches Renewal Programme. The bid seeks to secure significant Government investment to repair and renew 38 seafront arches supporting Kings Road, a critical transport corridor and strategic asset for the city. Consultant advice indicates that a local contribution of around 10% would significantly strengthen the competitiveness of the bid compared with lower contributions.
- 1.2 Approval would enable the council to maximise the opportunity to secure up to £37 million of external funding for essential infrastructure works which would otherwise be extremely challenging to fund locally, while helping to protect the long-term resilience of the A259 and supporting the city's economy, transport network and regeneration ambitions.

2. Recommendations

- 2.1 Cabinet notes that, due to the Department for Transport (DfT) Structures Fund submission deadline of 3 August 2026, a bid was submitted for Phases 6 and 7 of the A259 Seafront Arches Renewal Programme (see Appendix 1) on the basis that any proposed council contribution and participation in the scheme would be subject to subsequent Cabinet approval and the council's formal governance processes.

- 2.2 Cabinet agrees the inclusion of a £4 million Brighton & Hove City Council contribution within the Structures Fund bid, recognising that this contribution forms part of a funding request for a scheme with an estimated total value of approximately £41 million.
- 2.3 Cabinet notes that inclusion of a £4 million contribution within the bid does not constitute a legally binding commitment to proceed with the scheme or incur expenditure at this stage.
- 2.4 Cabinet delegates authority to the Corporate Director City Services, in consultation with the Cabinet Member for Transport & City Infrastructure and the Chief Finance Officer, to undertake all necessary actions in relation to the submitted Structures Fund bid.

3. Context and background information

- 3.1 The Department for Transport's £1 billion Structures Fund presented a rare and time-limited opportunity for the council to secure substantial external investment towards the renewal of the A259 Seafront Arches, a critical asset supporting Kings Road and the wider transport network. The submission deadline required the council to submit a bid before Cabinet could be convened to consider the matter formally.
- 3.2 The bid was therefore submitted on the basis that any proposed local contribution would remain subject to Cabinet approval and the council's normal governance processes. This approach ensured that Brighton & Hove City Council did not miss the opportunity to compete for up to £37 million of Government funding (with further £4m contribution from the Council towards the £41m) whilst retaining full control over any future decision to proceed.
- 3.3 The Deadline by which Local Highway Authorities need to submit final submission template and economic toolkit (Background Document)) was the 3rd August 2026. The DfT will make the announcement on funding awards in Autumn 2026. Following the announcement of the award, the officers will return to cabinet with a request for approval to proceed to design and continuation to the construction phase, with a more detailed understanding of the financial implications that the scheme will have for the Council.
- 3.4 Advice received from the council's specialist consultants indicates that a local contribution of approximately £4 million would significantly strengthen the competitiveness of the bid compared with lower contribution levels, particularly given the scale of the proposed £41 million scheme and the expected level of national competition for funding.
- 3.5 Approval of the £4 million contribution at this stage supports the council's funding submission and demonstrates a meaningful local commitment to the programme. However, it does not bind the council to proceed with the scheme. The council can ask to withdraw from the proposed funding arrangement ahead of any announcement.

- 3.6 The estimated costs for Phases 6 and 7 have been informed by the successful delivery of previous phases of the Seafront Arches Renewal Programme, providing a robust evidence base for forecasting future costs and programme requirements.
- 3.7 The costing model required by the DfT is to conform to the HM Treasury Green Book. The Green Book requires the submission of Whole-LIFE Costs. These include the capital costs (design, construction, fees, compensation to land and property owners (where applicable), risk and optimism bias), operating costs, maintenance costs for the life of the asset, renewal and replacement costs, and end-of-life costs.
- 3.8 Cost estimates have been developed using current market rates and include allowances for inflation over the expected delivery period. In addition, appropriate risk and contingency provisions have been incorporated to reflect the complexity of working within a live highway environment, potential ground and structural unknowns, utility diversions, compensation for tenants and property owners to vacate their premises for the works period and wider construction market volatility. The council's consultants are satisfied that the estimates represent a prudent and realistic assessment of the likely scheme costs based on experience from earlier phases and current industry conditions.
- 3.9 To meet the time constraints outlined by the DfT the project needs to be open to traffic by 31st March 2030 a high level programme has been developed to allow for the completion of the structural work by this date.
- 3.10 The wider programme of works is intended to ensure the continued structural integrity of the arches that support Kings Road and the A259, a critical transport corridor for the city. Renewal of the arches will help maintain the safety of road users, pedestrians, cyclists and public transport services by safeguarding the infrastructure that supports the highway above. Any associated work such as temporary traffic measures and road restrictions will be considered if and when the bid is approved.
- 3.11 The programme will also enable the continued safe occupation and commercial use of the arches beneath the highway, supporting businesses, employment, tourism and leisure activities along the seafront. By addressing deterioration within the structures, the scheme will reduce long-term health and safety risks associated with ageing infrastructure while improving the resilience, safety and economic vitality of this important part of the city.

4. Analysis and consideration of alternative options

- 4.1 The recommended option is to support the inclusion of a £4 million council contribution within the Structures Fund bid. This level of contribution represents approximately 10% of the overall scheme cost and, based on advice from the council's specialist consultants, is expected to improve the competitiveness of the bid when compared with lower levels of local contribution.

- 4.2 An option of submitting the bid with a lower council contribution was considered. While this would reduce the council's potential future financial commitment, consultant feedback indicated that lower levels of match funding could materially weaken the bid in what is anticipated to be a highly competitive national funding programme. As a result, this option is not recommended.
- 4.3 An option of making no local contribution was also considered. This would minimise financial exposure but would significantly reduce the likelihood of securing Government funding and could result in the council missing a rare opportunity to attract substantial external investment for essential infrastructure renewal works. This option is therefore not recommended.
- 4.4 A further option would have been not to submit a bid. Given the limited timescale available following the announcement of the fund and the absence of any indication that a similar opportunity will be available in the future, this option was not considered in the city's best interests. Failure to submit a bid would leave the council with full future liability for maintaining and renewing the arches without the benefit of significant Government support.

5. Community engagement and consultation

- 5.1 The bid relates to an application for external funding and does not constitute a decision to commence construction works.
- 5.2 Relevant officers, the Cabinet Member for Transport and City Infrastructure, finance officers and have been consulted as part of the preparation of the bid and this report. If funding is secured, detailed engagement and consultation with businesses, residents, stakeholders and ward members will be undertaken as part of the development, design and delivery phases of the programme.
- 5.3 The Sussex and Brighton Strategic Authority (Appendix 3) and Transport for South-East (Appendix 4) have both provided letters of support for the scheme.

6. Financial implications

- 6.1 The report seeks approval to include a £4 million council contribution in the bid to the Department for Transport's Structures Fund. At this stage the request does not create an expenditure commitment or seek budget approval at this stage. The proposed contribution is intended to demonstrate local commitment and strengthen the council's prospects of securing external funding.
- 6.2 If the bid is successful, a detailed business case, funding strategy and capital financing arrangements will be required before any expenditure is committed. Approval of funds will need to be approved in line with the Financial Regulations including a Cabinet report with full implications on the council's MTFP set out. The business case will be required to demonstrate sensitivity analysis with particular focus on the implications of cost overruns and how

this would be funded and to what extent the council is at risk of further financial commitments.

- 6.3 The proposal could secure up to £37 million of external funding for infrastructure works that could otherwise place significant pressure on future capital resources if the project were deemed essential and to proceed without grant funding.

Name of finance officer consulted: Craig Garoghan Date consulted
:14/08/2026

7. Legal implications

- 7.1 The Council is the Local Highway Authority for the A259 Kings Road and has powers and duties under the Highways Act 1980 in relation to the maintenance and improvement of the highway and supporting structures. The seafront arches form part of infrastructure supporting the highway and are therefore of importance to the Council's highways functions.
- 7.2 Delivery of any works would likely require the exercise of highways and traffic management powers and appropriate statutory procedures would need to be followed, including for temporary traffic measures and road restrictions. It is understood that the delivery of the works will likely impact businesses in the arches beneath the highway. Should the Council's bid for funding be successful, in designing the programme of works, there will be a need for the Council to carefully consider the risks around delivery, including the impact of the works and to ensure that appropriate arrangements are put in place with these businesses to enable the works to take place within the required time frames of the grant. This is likely to engage the Council's powers as highways authority, landlord and landowner.
- 7.3 Should the bid be successful, any acceptance of grant funding would be subject to further legal review and approval in accordance with the council's Constitution, Contract Standing Orders and Financial Regulations.
- 7.4 Cabinet should have regard to its fiduciary duty to council taxpayers when considering any future financial commitment associated with the project.

Name of lawyer consulted: Siobhan Fry and Katie Kam Date
consulted: 10/08/26

8. Risk implications

- 8.1 There is a risk that the Structures Fund bid is unsuccessful, in which case the council would not secure external funding and would need to consider alternative approaches to maintaining and renewing the arches over the longer term.
- 8.2 There is a financial risk associated with proposing a £4 million council contribution. However, no binding financial commitment is created through

this recommendation and any future expenditure would be subject to a separate business case and affordability assessment.

- 8.3 There is a risk that failure to approve the proposed contribution could weaken the competitiveness of the bid and reduce the probability of securing external funding. This may increase the future burden on council resources and reduce opportunities to address a significant infrastructure liability.
- 8.4 Failure to invest in and maintain key infrastructure assets could contribute to strategic risks relating to financial sustainability, climate resilience and the maintenance of a clean and safe city. The proposals in this report help mitigate those risks by seeking external investment to improve the condition and resilience of a critical transport asset.

9. Equalities implications

- 9.1 No direct equality impacts arise from the recommendations within this report, which relate solely to the inclusion of a proposed contribution within a funding bid.
- 9.2 If funding is secured, an Equality Impact Assessment will be undertaken as part of the development of the scheme to consider impacts on protected groups, accessibility, businesses, residents and visitors.
- 9.3 Renewal of the arches would help maintain the integrity of the highway above and support continued access to transport infrastructure used by all communities across the city.

10. Sustainability implications

- 10.1 The A259 is a critical transport corridor and strategic asset for the city. Investment in renewing deteriorating infrastructure supports the long-term resilience and sustainability of the transport network.
- 10.2 The proposals contribute to adaptation and resilience objectives by protecting infrastructure from further deterioration and the impacts of coastal weather conditions. This aligns with the council's broader objectives of maintaining infrastructure resilience and supporting the transition to a sustainable city.

11. Health and Wellbeing Implications:

- 11.1 The recommendations do not have any immediate health and wellbeing implications. However, maintaining and renewing critical infrastructure contributes to public safety and supports continued access across the city.
- 11.2 If the programme proceeds, construction impacts and mitigation measures will be considered through future project development and delivery arrangements.

12. Conclusion

- 12.1 The Department for Transport's Structures Fund represents a rare opportunity to secure substantial Government investment towards the renewal of the A259 Seafront Arches. The recommended £4 million council contribution would strengthen the competitiveness of the bid while not creating any binding commitment to proceed at this stage.
- 12.2 Approval of the recommendations will maximise the opportunity to secure up to £37 million of external funding, support the long-term resilience of a critical transport asset, reduce pressure on future council resources and help protect the city's economy, seafront and transport network. Cabinet is therefore recommended to approve the proposals set out in this report.

Supporting Documentation

1. Appendices

- 1. Structures Fund submission
- 2. SBSA letter of Support
- 3. TfSE letter of Support

Background Document

- 1. Brighton Economic Tool Kings Arches

