



ADUR & WORTHING
COUNCILS

Joint Strategic Committee
7 July 2020
Agenda Item 14

Key Decision Yes

Ward(s) Affected:Southwick

Partnership working - Brighton Marina to River Adur Coastal Scheme - Funding

Report by the Director for the Economy

1. Purpose

- Following the report to this Committee of 3rd April 2019, this report updates Members in Adur of the progress made of the partnership working for the coastal defence scheme from Brighton Marina to The River Adur. These works are now planned for 2030/31.
- To agree the Councils continued support to the partnership scheme led by Brighton & Hove City Council and make provision in the 2030/31 Capital Investment Budget for the project costs estimated at £1.7m

2. Recommendations

2.1 The Joint Strategic Committee is recommended to:

- i) Agree Adur District Council's continued support to the partnership scheme led by Brighton & Hove City Council; and
- ii) Note that budget provision will need to be made in the 2030/31 Capital Investment Budget for the project costs estimated at £1.7m for coastal defence works at Kingston Beach funded by Adur District Council and that a provision of £65,050 will be needed in the revenue budget for the associated debt charges.

3. Context

- 3.1 In 2014 a Flood and Coastal Risk Management (FCRM) strategy for the area Brighton Marina to River Adur was approved by Brighton & Hove City Council, Shoreham Port Authority, the Environment Agency and Adur District Council . This strategy set out in broad terms how the coast defences could be improved and maintained in an effective condition for the next 100 years for open coastal frontage between Shoreham Port and Brighton Marina.
- 3.2 The FRCM strategy sets out in broad terms how the coast defences can be improved and maintained in an effective condition for the next 100 years across this entire 10 km frontage. A partnership approach was agreed with Brighton & Hove CC (BHCC) leading the project on behalf of partners. BHCC commissioned independent consultants to provide technical guidance and assist with seeking external government funding from the Environment Agency where appropriate in an Outline Business Case.
- 3.3 Adur District Council has responsibility for an area of approximately 2km including the area of sea wall and rock groynes at Basin Road South, Southwick. This report and financial contribution relates to this frontage. These works are not planned until financial year 2030/31.
- 3.4 The project will be carried out in phases with priority works carried out in Brighton & Hove and Shoreham Port in financial years 2023/24 and 2024/25.
- 3.5 A Project Board consisting of technical representatives of each organization has been established and meets quarterly. This is attended by a representative of the Engineering Team (Technical Services) . An Executive Board has also been established and this has more recently been attended by the Councils Chief Financial Officer where finances and apportionment of costs have been discussed.
- 3.6 In April 2019 a report was presented to this Committee agreeing to delegate to the Director for Digital & Resources the authority to agree and approve a Memorandum of Understanding and requesting a further report outlining the financial implications of the scheme and the contribution required by Adur District Council.

4. Issues for consideration

- 4.1 At the last meeting of the Executive Board the Council was asked to request their continued commitment to the project and to the indicative apportionment of costs.
- 4.2 The percentage of estimated capital costs for each partner is shown in the Financial Section below. Adur District Council apportionment is approximately 17% of the costs (Brighton CC - 29%, and Shoreham Port Authority - 54%). These costs are indicative only at this stage and further financial information will be provided as the project progresses and the procurement process advances.
- 4.3 The procurement and project management of the scheme will be undertaken by Brighton and Hove CC on behalf of all the partners utilising the Environment Agency's procurement frameworks for the design and construction.

5. Engagement and Communication

- 5.1 The project involves partnership working between Brighton & Hove CC, Shoreham Port Authority and Adur District Council. An Executive Board and Project Board has been established consisting of representatives from each organisation to provide governance and strategic management at project and work stream level.
- 5.2 A Memorandum of Understanding (MOU) is proposed between the parties to agree the governance and contributions towards construction of each party to the scheme.
- 5.3 The coastline between the western arm of Brighton Marina and the River Adur varies in its standard of defence against flooding and erosion. A strategy covering the next 100 years for improving and sustaining the defences to a 1 in 200 year standard has been approved by all 3 parties and the Environment Agency.
- 5.4 BHCC as lead authority will be engaging with residents, local groups, stakeholders and statutory consultees. ADC will also engage with the local community, residents and businesses where any construction work may cause significant disruption to the local area

6. Financial Implications

- 6.1 The overall cost of the scheme will be £21.7m funded by the partners as follows:

	Total cost £	Grant funding £	Net cost £
Detailed Design for Whole Scheme	754,600	754,600	0
Brighton and Hove City Council	6,754,200	3,968,400	2,785,800
Adur District Council area:			
Shoreham Port Authority	12,530,900	7,362,500	5,168,400
Adur District Council - Kingston Beach	1,673,700	0	1,673,700
Total	21,713,400	12,085,500	9,627,900

Contained within the estimates provided are an allowance of 30% for optimism bias together with provisions for risk and inflation. Consequently, it is hoped that these costs will reduce when the contract is tendered.

- 6.2 Each partner has been asked to commit to the indicative costs for their share of the project. Adur District Council's part of the scheme is currently programmed for 2030/31 and as such will not be eligible for grant funding which will only be paid in the first 5 years of the project. However, discussions are underway with the EA to see if further funding can be secured and these works brought forward.
- 6.3 Coastal defence schemes typically have a design life of 50 years. Consequently any borrowing required for this project can be repaid over a 50 year period reducing the revenue impact of the proposed works. Based on a 50 year life, interest of 3%, and a cost of £1.67m, the Council will have to fund debt charges of £65,050 per year from 2030/31 onwards.
- 6.4 However, to enable a joint procurement to progress a commitment of £1.67m in the 2030/31 Capital Programme is requested together with an increase to the revenue budget of £65,050 to fund these works. It is unusual to pre commit to funding so far in advance but this will secure funding of £12m which will benefit our areas.

Legal Implications

- 7.1 Adur District Council is a Coast Protection Authority (CPA) under Section 1 of the Coast Protection Act 1949. By Section 2A of that Act a Coast Protection Authority is also a Coastal Erosion Risk Management Authority.
- 7.2 By Section 4 of the Coast Protection Act 1949, a CPA shall have the power to carry out such coast protection work whether within or outside of its area, as may appear to the CPA necessary or expedient for the protection of any land in its area providing that; (a) the work is desirable having regard to the national flood and coastal erosion risk management strategies; and (b) the purpose of the work is to manage coastal erosion risk within the meaning of Part 1 of the Flood and Water Management Act 2010.
- 7.3 There is an existing Memorandum of Understanding dated 4th February 2019 between Brighton & Hove City Council, Adur District Council and the Shoreham Port Authority which is expressed to be non legally binding, subject to available finances a further legally binding agreement will be required by the Parties to secure the financial commitments of each contributing Party to the flood defence scheme, subject to authority and approved budget.
- 7.4 Under Section 111 of the Local Government Act 1972, the Council has the power to do anything that is calculated to facilitate, or which is conducive or incidental to, the discharge of any of their functions.
- 7.5 Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 7.5 Section 1 Local Government (Contracts) Act 1997 confers power on the local authority to enter into a contract for the provision of making available assets or services for the purposes of, or in connection with, the discharge of the function by the local authority.
- 7.6 The Council must ensure that a contract for the Coast Protection Works is procured in accordance with the Public Contract Regulations 2015 and the Council's Contract Standing Orders.

Background Papers

JSC 2nd April 2019 - Brighton Marina to River Adur Coastal Protection Scheme.

JOSC 2nd Sept. 2014 - Adoption of the Brighton Marina to River Adur Flood and Coastal Erosion Risk Management Strategy Review.

Brighton Marina to River Adur Flood and Coastal Erosion Risk Management Strategy, 24th June 2013

Urgent Coast Protection Scheme - Southwick beach 17th July 2014

JSC 6th May 2014 Coast Protection Schemes – Worthing Beach Management Plan, Adur Kingston Beach Groyne Repair/Replacement and Revetment Repairs

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Sustainability & Risk Assessment

Sustainability matters were considered as part of the development of the Strategy. The proper management of the coastline is essential and the programme of works for the 100 year period of the study will maintain the standard of defence keeping pace with current climate change predictions.

Adur District Council is the Operating Authority for significant parts of this coastline and has certain duties and permissive responsibilities under the Coast Protection Act 1949 and 1991 Land Drainage acts. The 2014 Strategy contains a more detailed risk assessment of the assets across the whole frontage. A loss of life and property risk assessment will be incorporated within the proposed option.

1. Economic

The 2014 Strategy preferred option was developed for outline design taking into account the newly available information and taking consideration of technical viability, buildability, sustainability, access restrictions and health and safety. The option was considered over an appraisal of 100 years. A detailed costing exercise was undertaken to develop costs for the option based on these outline designs using Early Supplier Engagement (ESE).

2. Social

2.1 Social Value

Engagement, with the local community, will also be necessary to inform residents and businesses of key activities being planned where any construction work may cause significant disruption to the local area.

2.2 Equality Issues

Matter considered but no issues identified

2.3 Community Safety Issues (Section 17)

Matter considered but no issues identified

2.4 Human Rights Issues

Failure to protect property could be construed as interfering with the right to quiet enjoyment of property and possessions.

3. Environmental

The Project Steering Group work in partnership to guide the development of technically, economically and environmentally sustainable coastal flood and erosion risk defences along the coastline from Brighton Marina to the River Adur.

4. Governance

The scheme is being led by Brighton and Hove City Council in their capacity as Risk Management Authority under the Coast Protection Act 1949 and 1991 Land Drainage acts. The scheme will be managed in accordance with the agreed MOU.