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| <b>Subject:</b>         | <b>Brighton City Hall Proposals</b>                    |  |                          |
| <b>Date of Meeting:</b> | <b>25 April 2017</b>                                   |  |                          |
| <b>Report of:</b>       | <b>Chair, Greater Brighton Officer Programme Board</b> |  |                          |
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| <b>LA(s) affected:</b>  | <b>All</b>   |  |                          |

**FOR GENERAL RELEASE****1. PURPOSE OF REPORT AND POLICY CONTEXT:**

- 1.1 This report provides the Greater Brighton Economic Board ('the Board') with an overview of Brighton & Hove City Council's Brighton City Hall proposal. The proposal responds to two of the ten 'pillars' contained within Government's Industrial Strategy Green Paper; 'encouraging trade and inward investment' and creating the 'right institutions to bring together sectors and places'.
- 1.2 This report summaries the emerging opportunities that the Brighton City Hall proposal could present for Greater Brighton; supporting business growth, promoting trade and attracting inward investment by positioning the City and the City Region internationally.

**2. RECOMMENDATIONS:**

- 2.1 That the Board endorse both the Brighton City Hall proposal and the proposed expansion of the City Ambassador role, to include sector representation and business leaders from across the City Region.
- 2.2 That the Board task the Greater Brighton Officer Programme Board ('the Officer Programme Board') to further explore and develop the opportunities presented by the Brighton City Hall proposal for the City Region, aligned to the worked currently underway to develop Greater Brighton's strategic approach to Inward Investment & Trade.

**3. CONTEXT/BACKGROUND INFORMATION:**Responding to Government's Industrial Strategy Green Paper:

- 3.1 The Brighton City Hall proposal helps to address at local level the challenge set out in Government's Industrial Strategy Green Paper that "*competitor economies often have better developed sectoral institutions and stronger local institutions than the UK*". The Green Paper includes ten pillars that Government believes are important to drive forward its industrial strategy across the whole country. The proposal is particularly aligned to the 'creating the right institutions to bring together people and places' pillar, which includes:

- A regional/local role for the Department for International Trade;

- A review of the location of Government agencies and arms-length bodies (including cultural institutions) to support local clusters and private sector growth;
  - Central/local collaboration to bring more business expertise into local governance and improve links between councils and the private sector. An example might be the creation of a modern “Alderman” type role within local government. The City Ambassador role referred to in sections 3.10 to 3.18 reflects this thinking;
  - A review of whether there is more that can be done to leverage Government and research council laboratories to drive local growth;
  - Collaboration with and between universities, for example for commercialisation, and potentially via the formation of joint investment funds, and;
  - A ‘balanced scorecard’ approach to maximising the impact of procurement activity.
- 3.2 Other pillars include: ‘encouraging trade and inward investment’; ‘supporting businesses to start and grow’; ‘cultivating world-leading sectors’; ‘investing in science, research and Innovation,’ and; ‘delivering affordable energy and clean growth’. These are all functions within the remit of the proposed Economic Growth Unit and Civic Office of Brighton & Hove City Council. Please see section 3.5 for details of the possible functions within Brighton City Hall.
- 3.3 In light of the UK’s decision to exit the EU, trade has become a key focus for city region economies. The recent ‘Cities Outlook 2017’ study by Centre for Cities found that Worthing had the second highest value of exports per job of the cities analysed<sup>1</sup>. 56% of Worthing’s exports are concentrated in medicinal and pharmaceutical products<sup>2</sup>. Brighton & Hove was ranked second of the cities analysed for services-exporting cities<sup>3</sup>.
- 3.4 The Centre for Cities ‘Cities Outlook 2017’ report emphasises that exports matter to healthy economies because exporters tend to be the drivers of productivity growth as a result of their ability to generate and absorb new innovations. This means that Greater Brighton’s strategy for growth should include a focus on boosting both exports and the value add of those exports. The Brighton City Hall proposal outlined in this report provides an opportunity to build on the work already underway to develop a Greater Brighton Inward Investment & Trade strategy, by providing a focus for activities that seek to promote investment into the City and the City Region, supporting businesses to export and developing external relations nationally and internationally.

### Overview of Brighton City Hall Proposal and Potential Opportunities for Greater Brighton:

<sup>1</sup> Centre for Cities, Cities Outlook 2017. p.12, Figure 2. Total value of exports by city: <http://www.centreforcities.org/wp-content/uploads/2017/01/Cities-Outlook-2017-Web.pdf>

<sup>2</sup> Centre for Cities, Cities Outlook 2017, page 16, Figure 6. <http://www.centreforcities.org/wp-content/uploads/2017/01/Cities-Outlook-2017-Web.pdf>

<sup>3</sup> Centre for Cities, Cities Outlook 2017. p.14, Figure . Services exports per job: <http://www.centreforcities.org/wp-content/uploads/2017/01/Cities-Outlook-2017-Web.pdf>

- 3.5 Brighton & Hove City Council is developing a business case for the refurbishment and redevelopment of Brighton Town Hall to create Brighton City Hall, which could include the following functions:
- 3.5.1 *A new Trade, Investment & International Relations function* – an opportunity for Brighton City Hall to provide a focus for activities that seek to promote investment into the City and the City Region by building on the ‘Brighton Brand’ and the City Region strengths, support businesses to export and develop external relations nationally and internationally. Working with the Economic Growth Unit, this function would build and sustain business confidence and the City and City Region profile.
  - 3.5.2 *A new focal point for trade missions and business events* – an opportunity for Brighton City Hall to become a hub for business and trade promotion to the advantage of UK based businesses in the City and City Region, of value to the UK Government and of interest to potential business participants and sponsors. Programmed events would aim to elevate the City’s and City Region’s international reputation and brand as a place that has an international business orientation, is socially inclusive and attractive to talented people and investors from across the globe to improve the well-being of all residents. The programme of events could include those that are Greater Brighton in focus, linked to the City Region’s inward investment and trade activities. Please refer to sections 3.9 to 3.11 for further information.
  - 3.5.3 *A modernised Civic Office* – an opportunity to revise the profile of Brighton & Hove’s Mayoralty and to closer align the work of the East Sussex Lieutenancy with activities and events that promote economic growth and inward investment; welcoming international delegations and hosting events that showcase the City and wider City Region as ‘open for business’. City Ambassadors, influential and articulate people drawn from the business sector, will be appointed to support and facilitate visits, missions and delegations and to take part in pro-active inward investment campaigns. Brighton City Hall could host events and activities that showcase Greater Brighton and City Ambassadors could potentially have a City Region remit. Please refer to sections 3.10 to 3.15 for a full description of the proposed role of City Ambassadors.
  - 3.5.4 *A focal point for the City’s destination marketing function* – VisitBrighton provides destination marketing and convention bureau services for the City, marketing Brighton & Hove and the surrounding area as a destination to domestic and overseas visitors, and selling the City as a destination for conferences, meetings and events. VisitBrighton’s expertise can also be applied to market the City and the City Region to investors and trading partners.
  - 3.5.5 *A redesigned Economic Growth Unit* – an opportunity to bring together current Brighton & Hove City Council functions that seek to drive inclusive economic growth into the new civic hub, working in partnership with the Brighton & Hove Economic Partnership and Chamber of Commerce and wider City Region partners. Over time, there will further opportunities to explore collaborations and co-location with the Board’s member organisations and other agencies that promote the City and City Region economy. This could include offering workspace or ‘hot desks’ within Brighton City Hall to the

Board's member organisations and partners such as the Department for International Trade (DIT) and the Department for Business, Enterprise and Industrial Strategy (BEIS). This would facilitate increased joint working both within Greater Brighton partnership as well as with key partners and stakeholders.

3.5.6 *Managed commercial workspace for small and medium-sized enterprises* – with a business support programme, corporate training facilities and modern conference facilities to maximise the use of the Council Chamber.

3.5.7 *A new 'high end' restaurant and café* – located on the ground floor to help open up the new Brighton City Hall, ensuring that it is more widely used as a City Hall for business.

3.6 The Brighton City Hall proposal is closely aligned to the City Region's recently commenced Inward Investment & Trade project. Working with DIT, BEIS and the C2C LEP, the project will develop both a pro-active inward investment strategy and package of support for businesses to export. This will include:

- Gathering intelligence to gain a greater understanding of companies in the City Region;
- Cultivating better and more targeted engagement with the DIT;
- Developing a clear and targeted 'offer' in terms of the City Region as a place to locate and grow, and;
- Supporting businesses to shift the way that they operate in a post-Brexit world, tackling their barriers to export through more integrated delivery between the DIT and the wider business support offer.

3.7 The inward investment strand of the project will involve:

- Identifying the City Region's top three or four priority sectors and developing sector propositions;
- Working with the DIT and C2C LEP to target and attract interest in these sector propositions, marketing Greater Brighton and articulating what 'sets us apart' from competitors, and;
- Hosting visits from potential investors, ensuring that the structures and processes are in place not just to provide the necessary "VIP" treatment but to provide confidence in the City Region, addressing any concerns and wherever possible removing any barriers identified by potential investors. This will include developing a "black book" of contacts; of foreign investors already located in the City Region able to have business to business conversations with potential investors in their sector.

3.8 There are clear synergies with the Brighton City Hall proposal, particularly in relation to hosting visits and, through the City Ambassador, facilitating business to business conversations.

3.9 Brighton City Hall would be one of a network of centres of excellence, where the City Region can showcase its strengths and activities in key sectors, including:

- The Digital Catapult Centre Brighton (Creative Digital & IT), launched in March 2015 and with a programme of building works to upgrade the Centre currently underway;

- The Central Research Laboratory (Creative Industries), already operating in a temporary space as a pilot project – ‘Field’ – with construction of the Laboratory anticipated to complete in 2019;
  - The Sussex Innovation Centre, due to launch in late Summer 2017;
  - The Advanced Engineering Centre (Advanced Engineering), which will formally open in September 2017, and;
  - The Sussex Bio-Innovation Centre (Health & Life Sciences), for which construction work will be completed by December 2019.
- 3.10 Brighton & Hove City Council’s Civic Office will remain within Brighton City Hall. It is therefore not appropriate to brand the proposal ‘Greater Brighton City Hall’, as the intention is not to replace existing Mayoral functions across the City Region.

Overview of Proposed Role and Function of City Ambassadors:

- 3.11 The role of City Ambassador is new and evolving, reframing the relationship between public and private. It is reflected in Government’s Industrial Strategy Green Paper and also in exploratory work at the Local Government Association.
- 3.12 The role aims to provide an opportunity for nominated individuals to represent and promote the interests of the City and potentially the City Region, supplementing and adding to the work being done by Members and officers of Brighton & Hove City Council and the Board.
- 3.13 City Ambassadors would be identified based on their expertise and knowledge of their own business sector, for example: Arts & Culture; Creative, Digital & IT; Energy and Environmental Technologies; Advanced Engineering; Health and Life Sciences; Tourism and Retail; Languages or Education; Food & Drink; Financial Services; Transport.
- 3.14 The City Ambassadors would aim to:
- Help attract inward investment that may include a role in overseas delegations or missions, representing the interests of the City as a whole;
  - Engage at regional and national level to represent the interests of their sector and the City/City Region;
  - Voice the needs of their sector and influence the City’s strategic development, for example in planning, skills, property, finance, the Chamber of Commerce and Economic Partnership;
  - Create common ground where companies of different sizes can share information and knowledge in the interests of their sector as a whole, and;
  - Create a sense of purpose and direction in their sector, to identify and face the challenges of the next few years.
  - This is a voluntary role that does not involve exercising Council powers. The demand on City Ambassadors’ time is not expected to be onerous but the role might include:
  - Occasional attendance at events regionally, nationally or internationally, to represent the City and their sector, to attract investment or influence strategic decision making;

- Generating ideas for events or promotions in the City or elsewhere that will improve trade or investment in their sector or the City Region's economy (53% of the city's trade is with the EU);
  - To facilitate collaboration and discussion to take advantage of opportunities, or to address barriers, to sectoral growth;
  - To act as a sounding board for their sector, responding to enquiries and representing a collective view on their sector's behalf, and;
  - To represent the views and interests of their sector at events or meetings where the voice of their sector in the local economy needs to be heard clearly and consistently.
- 3.15 City Ambassadors and could potentially have a City Region remit, include sector representation and business leaders from across Greater Brighton. City Ambassadors would also be expected to develop strong relationships with the Coast to Capital Local Enterprise Partnership, the Brighton & Hove Economic Partnership and business partnerships from across the city region.
- 3.16 City Ambassadors would need to be transparent about potential conflicts of interest and, to ensure that transparency is achieved, it would be necessary to have some processes in place to achieve this. These proposals are evolving and the next steps are likely involve 'soft testing' the role.

#### Analysis and Consideration of Alternative Options:

- 3.17 Brighton Town Hall is a city landmark. It is centrally located, accommodates important life events such as wedding ceremonies and the registration of births, deaths and marriages and is of political significance, hosting Brighton & Hove City Council full council meetings and coordinating electoral events. However, the building is an under-occupied and substantial grade two listed structure with ever increasing maintenance needs.
- 3.18 Officers at Brighton & Hove City Council have undertaken a full analysis of the future options for Brighton Town Hall, including 'do nothing' and a variety of commercial uses through long-term lease or sale. The preferred option is to refurbish (requiring an estimated capital investment of £8m - £10m) and redevelop Brighton Town Hall to create Brighton City Hall. This would cut increasing maintenance costs, optimise the use of the space – reducing the amount of office space required by Brighton & Hove City Council staff (the Council's Workstyles Programme has already reduced its office space by 57%) and making surplus space available for commercial use to support local business and inward investment – and enable a new City Hall for business.
- 3.19 Initial feasibility work has commenced to develop a full business case for the refurbishment and redevelopment of the Town Hall as a City Hall for business. In addition to the functions outlined in section 3.5, it is proposed that Brighton City Hall also continue to provide a space for marriage ceremonies and house The Better! Brighton & Hove Think Tank, which brings together academics from the Universities of Brighton and Sussex with Brighton & Hove City Council policy experts and other local organisations to: identify, analyse and propose solutions to major problems in Brighton & Hove; encourage the adoption of these solutions to improve the City, and; identify and support the realisation of opportunities for the City.

3.20 A set of indicative floor plans and descriptions for Brighton City Hall are attached as Appendix 1. These would be refined through the development of a full business case and wider stakeholder engagement.

#### Next Steps and Timetable:

3.21 On 23 March 2017, the Brighton City Hall proposals were presented to Brighton & Hove City Council's Policy, Resource & Growth Committee. Committee agreed that officers:

3.21.1 Continue to develop the Civic Office proposals, including piloting a programme of civic events hosted by the Brighton & Hove Mayor's office, linked to attracting inward investment and supporting key business-related campaigns or policy initiatives;

3.21.2 Develop designs and a full financial business case to refurbish and modernise Brighton Town Hall to become a multi-sector hub for business growth, international trade, inward investment activity and destination marketing to position the City as 'open for business', and;

3.21.3 Design a role and recruitment process for a number of City Ambassadors; a small pool of Council recognised people drawn from the business sector, with first appointments being made in the 2017/18 municipal year.

3.22 This report marks the start of a process of consultation and engagement with the Board, to explore and agree the opportunities that the Brighton City Hall proposal could present for the City Region and to ensure that these are developed and embedded as the proposal is further refined and finalised by Brighton & Hove City Council. It recommends that the Officer Programme Board further explores and develops the opportunities presented by the Brighton City Hall proposal for the City Region.

3.23 Pending both Brighton & Hove City Council committee approval of the full business case and planning approval, scheduled for Quarter 3 and Quarter 4 of 2017/18 respectively, the aspiration is for Brighton City Hall to open in Quarter 4 of 2019/20.

#### **4. COMMUNITY ENGAGEMENT & CONSULTATION:**

4.1 To date, engagement and consultation on the proposal has been had with the following bodies external to Brighton & Hove City Council:

- The Coast to Capital Local Enterprise Partnership
- The Brighton & Hove Chamber of Commerce
- The Brighton & Hove Economic Partnership
- Better! Brighton & Hove Think-Tank
- The University of Sussex
- The University of Brighton

4.2 The responses to each of these consultations have been positive, with the endorsement to further develop the proposal.

## 5. CONCLUSION:

- 5.1 This report provides the Board with an overview of Brighton & Hove City Council's Brighton City Hall proposal. It starts a process of consultation and engagement with the Board, to explore and agree the opportunities that the Brighton City Hall proposal could present for the City Region and to ensure that these are developed and embedded as the proposal is further refined and finalised by Brighton & Hove City Council.

## 6. FINANCIAL & OTHER IMPLICATIONS:

### Financial Implications:

- 6.1 The capital investment estimated at between £8.0m to £10.0m will be funded through Brighton and Hove City Council's Capital Investment Programme from a combination of borrowing and corporate funding. The financing costs associated with any borrowing will be met from income streams associate with lettings to the commercial and office spaces. There is the potential to receive Heritage Lottery Funding for investment into civic town halls and further work and testing will be undertaken to establish the possibility of receiving grant funding. A detailed business case will be prepared and reported back to the lead authorities committee for approval.

*Finance Officer Consulted: Rob Allen, Principal Accountant  
Date: 22 March 2017*

### Legal Implications:

- 6.2 The City Council will continue to receive legal advice as the Brighton City Hall proposal is developed. There are no legal implications arising directly from this report.

*Lawyer Consulted: Alice Rowland, Head of Commercial Law  
Date:27 March 2017*

### Equalities Implications:

- 6.3 Brighton & Hove City Council will complete full Equalities Impact Assessments as and when required. The proposed redevelopment of Brighton Town Hall includes funds to improve access, AV facilities, and fire escape routes within the building.

### Sustainability Implications:

- 6.4 There are opportunities to improve the fuel-efficiency of the building through better insulation, modern heating systems and airflow systems. Brighton & Hove City Council is currently exploring the potential for EU funding bids to support innovative power solutions. This will form a part of the full business case.



## **SUPPORTING DOCUMENTATION**

### **Appendices**

1. Indicative Plans for Brighton City Hall (for illustrative purposes)

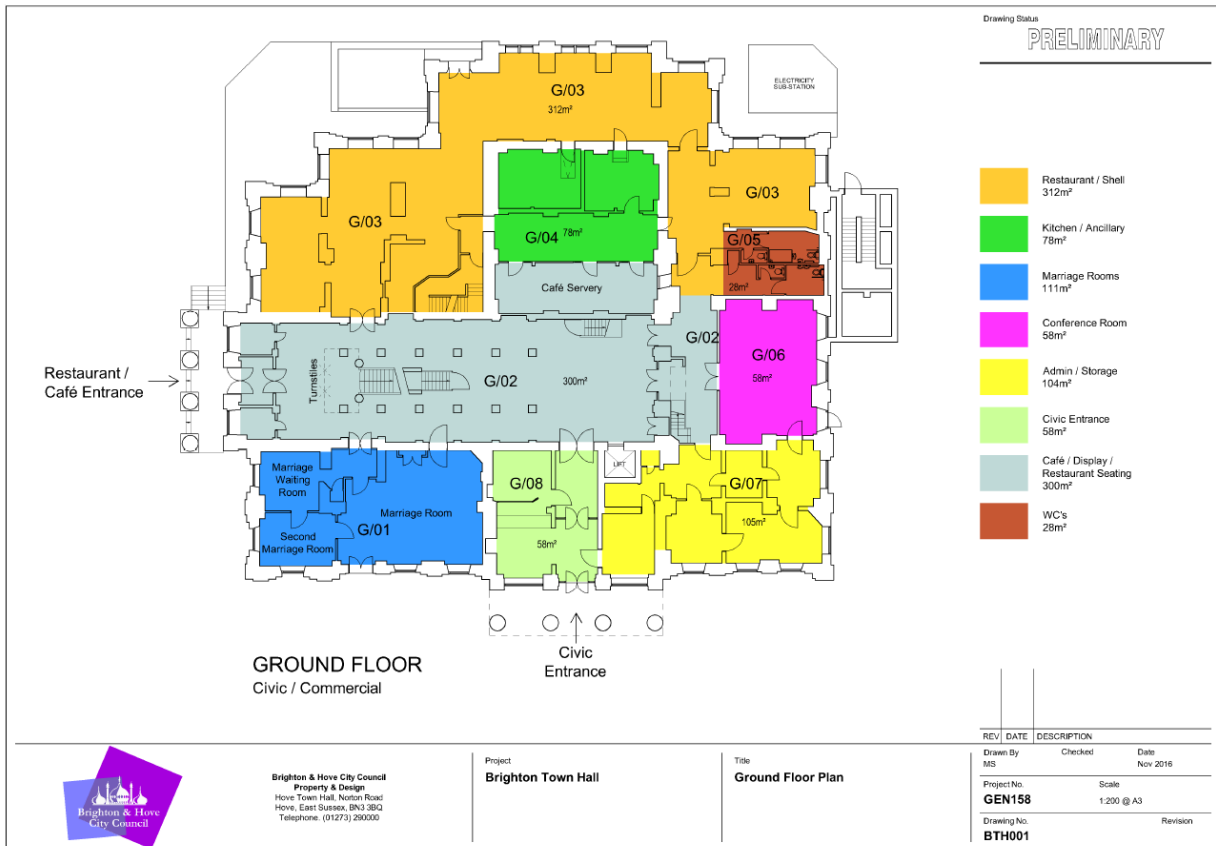
### **Background Documents**

None

# Appendix 1: Indicative Plans for Brighton City Hall (for illustrative purposes)

## Ground Floor:

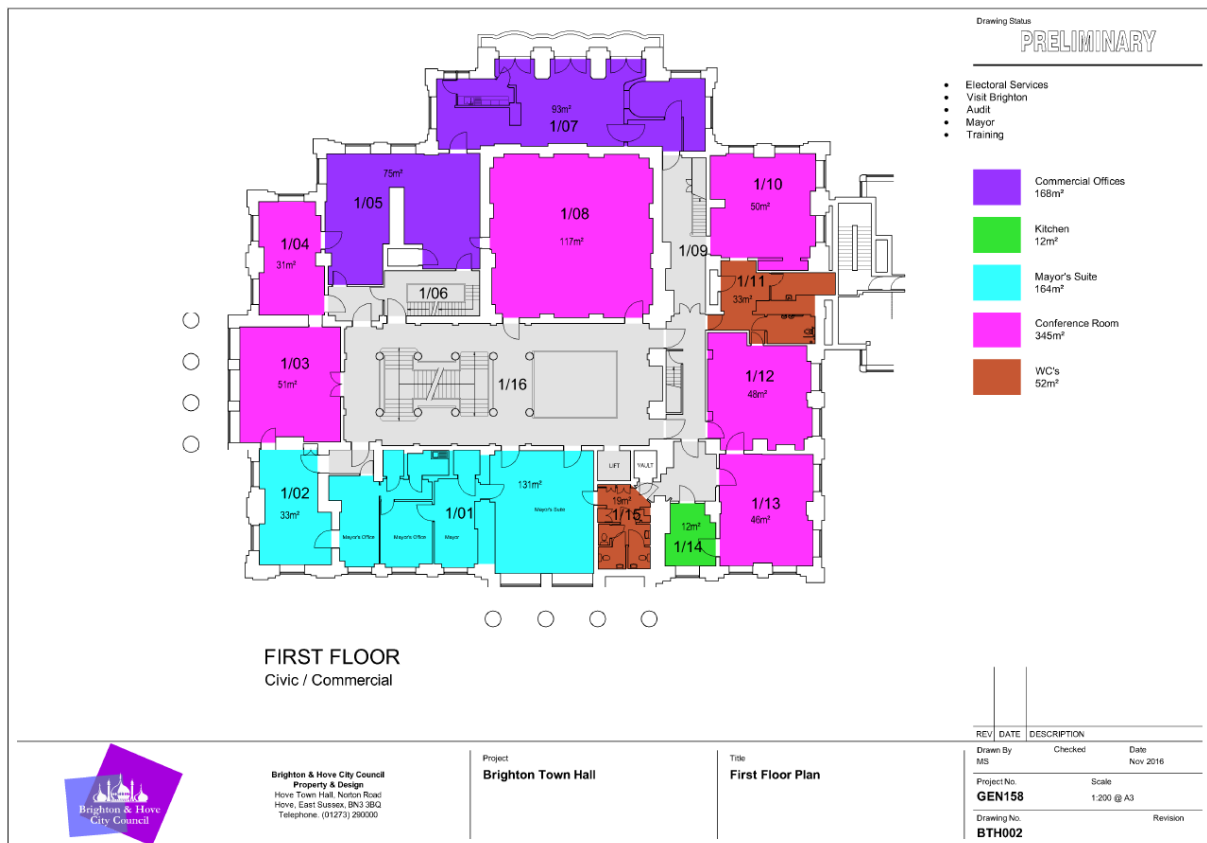
The ground floor of Brighton City Hall could be developed into a restaurant and venue for marriage ceremonies or civic receptions. The restaurant could also be used to host dignitaries and entrepreneurs as part of a redefined mayoral function.



## Appendix 2 cont.: Indicative Plans for Brighton City Hall (for illustrative purposes)

### First Floor:

The first floor of Brighton City Hall could be transformed into accommodation that supports a new civic hub. This would include the new mayoral function, lord lieutenant's function, corporate training facilities that could be commercially rented, modern conference facilities that could also be rented and some commercial office space to be leased.



## Appendix 2 cont.: Indicative Plans for Brighton City Hall (for illustrative purposes)

### Second Floor:

The second floor of Brighton City Hall could retain council office space, modernised through Workstyles principles. These offices could be used to accommodate some of the services displaced from other areas of the building. Other services would need to relocate, and their destination would be determined by profiling each service and determining the most appropriate location for them in remaining office stock.

The Council Chamber would be retained for full council meetings, but should be opened for wider use, for example university lecture space, or public lectures, which would generate additional income.



### Basement and Third Floor:

The basement currently houses the Police Museum, which would be retained, and a significant amount of ICT infrastructure and storage, together with BRIGHTON & HOVE CITY COUNCIL staff cycle and shower facilities which are used by staff located in Bartholomew House. Whilst planned maintenance will improve this floor's condition, it is not considered that this space is suitable for commercial use. Similarly, the third floor has issues with access and fire escape routes. The budget for refurbishment will improve the condition of this floor. As market research suggests the space will not be suitable for commercial leases, these floors have been excluded from the proposals.