

Subject:	Greater Brighton Investment Programme – Progress Update		
Date of Meeting:	6 February 2018		
Report of:	Chair, Greater Brighton Officer Programme Board		
Contact Officer:	Name:	Nick Hibberd	Tel: 01273 293756
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Ward(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 This report provides the Greater Brighton Economic Board (“the Board”) with an update on progress on the Greater Brighton Investment Programme (“the Investment Programme”) since the Board’s last meeting on 7 November 2017.
- 1.2 Updates are included on the Local Growth Fund (LGF) allocations made as part of the Growth Deal Round 3, and the progress of projects awarded unallocated monies from Growth Deal Rounds 1 & 2. The period covered by this report is 21 October 2017 to 25 January 2018.
- 1.3 At the 18 July 2017 meeting of the Greater Brighton Economic Board, Board members requested that future investment programme update reports provide more details on delivery timescales and schedules, including the consideration of ‘traffic light’ ratings for projects to improve oversight. The Greater Brighton Economic Board Business Manager is working with the Greater Brighton Officer Programme Board on a new template, which will be used for the April 2018 Board Meeting.

2. RECOMMENDATIONS:

- 2.1 The Board is asked to note the contents of this report.

3. GREATER / BRIGHTON INVESTMENT PROGRAMME HIGHLIGHTS

Flood Alleviation Scheme (Newhaven)

- 3.1 With the completion of the flood defences on the west bank of the Ouse in October 2017, the focus is now on the 2.5km of flood wall on the industrial east bank of the river.
- 3.2 Some sections of the east bank works are complete or close to completion, including a 350m earth embankment from the A26 to the railway line and 200m

of flood wall north of the Swing Bridge. However, other sections of the planned defence are proving complex from a design and buildability perspective, due to the presence of various waste and recycling sites, interactions with an operational port and interactions with Network Rail assets.

- 3.3 We continue to work through these challenges and still expect the overall programme completion deadline of autumn 2019 to be met.

Port Access Road (Newhaven)

- 3.4 Tenders for the second phase of the Port Access Road (from Pargut roundabout and over Mill Creek) were received back on 20 Dec 2017 and are being evaluated. We are also exploring various value engineering suggestions proposed by the preferred contractor to give a more cost effective design.

- 3.5 Alongside that East Sussex County Council (ESCC) is still working with the Department for Transport (DfT) on the business case and we have recently had two very productive meetings with them around the requirements. The business case will focus on the economic and regeneration benefits delivered by the scheme.

- 3.6 ESCC will be continuing to submit draft information to DfT for comment, however as previously stated, final submission cannot occur until there is an agreed tender price. Value engineering work with the preferred contractor is planned to be concluded by end February 2018, following which final submission of the business case is anticipated in March.

- 3.7 DfT have advised that 8-10 weeks will be needed for their approval process which will involve a ministerial decision. Assuming a favourable funding decision, main construction is anticipated to start in early summer 2018. Construction is then expected to take 19 months to complete.

- 3.8 In preparation for main construction, advance vegetation clearance works will start at the end of January and will be followed by the construction of a new badger sett, and the translocation of newts.

Enterprise Zone (Newhaven)

- 3.9 Work on the Enterprise Zone is progressing well. The Rampion O&M Base at East Quay is due for completion in spring 2018. Phase 1 of the new business park at Eastside South is due for occupation from January 2018 and the first two units have been pre-let in advance. Based on strength of demand, the landowner is accelerating development of the remainder of the site for business units. Lewes District Council (LDC) is currently finalising plans for its land at Railway Quay and the Town Centre with an initial focus on the latter. Following Cabinet approval in November 2017 to prepare a detailed business case, officers are working to secure commercial operator interest with a view to holding a public exhibition of the proposals in March/April 2018. A new EZ-wide strategy is currently being drafted, updating progress after 1 year of operation and setting out updated strategic objectives. This is planned for publication in April 2018.

New England House Growth Centre (Brighton)

- 3.10 Brighton & Hove City Council is in negotiations with Maplebright (leaseholder of adjacent Longley Industrial Estate) and Legal & General (L&G) regarding a potential land deal to secure a capital receipt to help secure refurbishment and expansion on New England House, in tandem with a mixed use residential and employment-related development on the Longley site. These twin outcomes would secure City Deal targets in respect of New England House (NEH), along with meeting wider strategic objectives for new housing, employment floorspace and regeneration in the London Road-New England Quarter development area.
- 3.11 The City Deal floorspace outputs would be partly delivered on the Longley site (as part of L&G's mixed use development) and partly on the NEH site (through expansion of the existing building). At the time of writing L&G have prepared a masterplan to provide a wider context to help guide their proposal through the planning system. Outcomes will be dependent on various factors including agreement by all three parties on land deal (including scale and apportionment of capital sums arising from any deal) and successfully addressing planning and viability issues. L&G currently intending to submit a planning application for Longley in the spring. If successful, detailed design and planning for NEH will commence shortly.

Digital Catapult Centre and 5G Testbed (Brighton)

- 3.12 The construction phase of the project is now complete with a small amount of the available budget being held back to address any final snagging until November 2018. The Digital Catapult Brighton is developing well and extending its reach to local businesses. From intensive innovation 'Pit Stops' to thought leading events, most of Digital Catapult Brighton's events in the centre are aimed at helping SME's harness the potential of new digital and immersive technologies. Its regular meet-ups and focused events also form an effective way for businesses to engage with the wider CDIT community.
- 3.13 The Digital Catapult Centre Brighton has been offering residencies and support to start-ups, innovators and creatives working in virtual reality. Example: VRCraftworks, a Brighton based organisation that builds reality apps for businesses joined the residency programme in September 2017. They have used the Digital Catapult to showcase work to over 15 potential clients and are looking to develop these into commercial projects in early 2018. Work is now underway to extend the Digital Catapult offer to encompass more Augmented and Virtual Reality applications. There are up to 15 businesses represented on each residency.

Advanced Engineering Centre (Brighton)

- 3.14 The fit-out of the first engine test cell will be completed in the near future to support a major EU funded programme in partnership with Ricardo. The venue has been used for a number of events including the recent governmental officer visit to the region and was media profiled as part of the British Science Festival. The formal opening, which the university had hoped to hold in the first week of September to coincide with the British Science Festival, has been delayed until spring 2018.

Circus Street Innovation Growth Centre and Regeneration (Brighton)

- 3.15 All land transactions and legal agreements between the development partners were completed in early August and full construction is now underway, with piling largely completed and construction underway on the housing and student residential blocks. Construction of the Dance Space and the office block will commence in spring 2018. Most elements of the scheme are scheduled for completion in late 2019, with overall completion (bar the university building) by spring 2020.

Preston Barracks Central Research Laboratory (Brighton)

- 3.16 Having gained planning approval in September 2017, the applicants and Local Planning Authority then worked to finalise the s106 Agreement. This important next step was completed on 22nd December 2017, and formal planning permission has therefore now been secured. The partners are now seeking to conclude related legal arrangements, and it is hoped that the land deal will go unconditional in February 2018. In the meantime, full vacant possession of the site has been passed to the developer and site enablement works, including the demolition of all existing buildings on site, is underway and is due for completion by February 2018.
- 3.17 The developer (U+I Plc Ltd) has selected the contractor for the main construction contract. Subject to continued progress in the coming weeks and the developer being able to enter into construction contracts by mid-February, construction of the Central Research Laboratory is still targeted for start on site in early March.

Valley Gardens – Phases 1 and 2 (Brighton)

- 3.18 Since the last report the Technical Highway Design was approved alongside the Gardens Technical Design at the Environment, Transport and Sustainability Committee in November 2017. The Planning Application was also submitted and planning permission was granted subjected to Planning Conditions. For the project this represents two major milestones.
- 3.19 Consultants are now working closely with officers to complete construction phase drawings and to ensure detailed specifications are drawn up for elements of the construction contract.
- 3.20 The plan is to issue the ITT for the main construction contract shortly following a period of design reviews and contract data reviews.
- 3.21 There will then be a series of technical and targeted consultations/ communication events to ensure that the correct procedures for Land exchange/appropriation have been followed and to help inform Traffic Regulation Orders.
- 3.22 The plan is for the main contractor to commence work on the site in the summer 2018.

Bike Share Scheme (Brighton & Hove)

- 3.23 BTN BikeShare officially launched on 1 September, and usage until the end of December continued to exceed the operator's (HourBike) expectations. The latest statistics cover September-December:
- 18,494 subscribers
 - 87,556 rentals
 - Average rental length = 21 minutes
 - Total distance cycled = 167,476 miles
- 3.24 The overall trend of rentals shows higher numbers at weekends as visitors use the bikes to explore the seafront, but with clear usage for commuting at peak times during the working week.
- 3.25 Usage for December was lower than preceding months but the operator had anticipated a reduction in demand in line with their other schemes. However, even on Christmas Day there were around 300 cycle rentals, and around 80 new subscribers.
- 3.26 Approximately 98% of all users are paying for their rentals on a pay-as-you-go basis (The Easy Rider Plan), costing 3p per minute. 2% of users are annual users (The Annual Rider Plan) which costs £72 per year with up to an hour usage per day included in the plan.

Intelligent Transport Systems Package (Brighton & Hove)

- 3.27 The upgrades to the traffic signal pedestrian crossings at the eleven junctions are all complete. The CCTV installations are complete at three sites and another two are due to be connected soon. The new contract for the bus lane enforcement cameras has been awarded. Journey time monitors are now gathering data and enabling the City Council to adjust traffic flow where needed. Variable Messaging Signs have been purchased and will be installed shortly at several locations across the city. Traffic signal improvements at four major junctions have been completed and work to improve the final site (Old Shoreham Road/Nevill Road/Sackville Road junction) started in January and are due to be completed by the end of March 2018.

Adur Tidal Walls (Shoreham-By-Sea)

- 3.28 The Shoreham Adur Tidal Walls scheme is being carried out by Mackley, working as part of Team Van Oord and on behalf of the Environment Agency, Coast to Capital Local Enterprise Partnership, Adur District Council and West Sussex County Council.
- 3.29 The scheme is separated into 10 reaches, or lengths of the estuarine bank. The design of the flood defences varies between the reaches as they have different characteristics and are subject to different pressures and potential flood impacts. The defences include steel sheet piling, concrete walls, flood glass and earth embankments. Once completed, the project will significantly reduce flood risk to more than 2,300 properties in Shoreham and East Lancing, as well as protecting important local infrastructure such as the road network, railway line and Shoreham Airport.

- 3.30 Work is currently taking place at seven of the 10 reaches of the scheme, a number of which are nearing completion. At W2, concrete work on the slipway is well advanced, as is work to prepare the riverside surface for installation of the flood defences. The first panes of flood glass have also been installed.

Western Harbour Arm Flood Defence (Shoreham-By-Sea)

- 3.31 Agreement has been reached with the Yacht Club on the purchase of the land to enable the construction of the flood defence solution for the first stretch of the River forming part of the Western Harbour Arm regeneration area. Head of Terms for the land deal are nearing completion. The detailed flood risk analysis is being prepared by consultants to seek further funding from the Environment Agency.
- 3.32 The submission of planning applications for the replacement yacht club and flood defence have been delayed slightly but will be submitted once the land deal has been completed.

Growth Location (Burgess Hill)

- 3.33 Mid Sussex District Council (MSDC) submitted its District Plan to Government in August 2016. The Plan provides the framework for the Burgess Hill developments and has now completed its Examination in Public. MSDC is currently consulting on its Main Modifications with the aim of having an adopted plan early in 2018.
- 3.34 The Northern Arc scheme, which will deliver up to 3,500 new homes alongside a business park, schools and community facilities, remains a key focus for MSDC. Further progress has been made to address outstanding issues and regular discussions are being held with developers to progress the scheme. A planning application for the first 130 homes on the development has been received. However, a further application for 460 homes, which includes the 130 originally submitted, is expected shortly. The Council is working with the developers and West Sussex County Council (WSSCC) to prepare the masterplan for the Northern Arc; it is a requirement of the District Plan policy which allocates the site for development that a masterplan and an infrastructure delivery plan are approved by MSDC before any applications on the site can be determined.
- 3.35 Good progress has been made on the approved major retail, leisure and housing scheme to redevelop Burgess Hill town centre with the developers, New River Retail, starting initial works already, and scheme due to complete by 2020/21. The construction on the Kings Way and Keymer Tileworks sites also continues apace with both developments now starting to be occupied.
- 3.36 Work continues on The Brow to convert a number of public sector buildings into a modern, purpose-built public service facility to house a GP surgery and accommodation for the police and ambulance services, whilst freeing up land to provide a significant number of homes to aid regeneration of the town centre. Homes England has commissioned architects and planning consultants who have produced a high level design and viability assessment. WSSCC is presently commissioning further master planning work. MSDC continues to work with

WSSC, Homes England, and other partners to agree an implementation plan for this project.

- 3.37 An external design agency (Social Communications) has been working with MSDC since the autumn to develop a Burgess Hill brand and communications strategy. During autumn 2017 workshops were held with key political stakeholders and Burgess Hill residents were engaged directly in the development of branding for the programme. During October and November residents were invited to vote for their preferred option from four alternative stylistic options. Almost 1,000 residents participated in the vote, and a complete set of brand guidelines covering all communications channels has now been developed based on the winning design
- 3.38 MSDC is currently working in partnership with each of the developers active in the town to ensure consistent and high profile application of the branding across the whole programme. Developers will be applying the branding to site signage and hoardings as well as to websites and printed publicity material. With the branding now agreed we will be working with developers and other stakeholders to promote and support Burgess Hill as one of the region's key growth locations. We will also continue working with partners to make the sure the progress being made in driving forward the programme is visible to existing and future residents, employees and visitors. More detail on our approach to promotion will be set out in our communications strategy which will be launched in February, with a dedicated interactive website for the programme also being launched at the same time.

A2300 Corridor Improvements (Burgess Hill)

- 3.39 Preliminary design has now been completed. The preparation of an outline Transport Business Case for this Department for Transport (DfT) retained major scheme is nearing completion. It will be submitted to the DfT and Coast to Capital for comment in the spring. We are currently working to accelerate the programme in order to bring forward the submission of the full Transport Business Case from autumn 2020 to summer 2020. The start of construction will be in winter 2020, and completion in spring 2022.

4. UPDATE ON LOCAL GROWTH FUND PROJECTS (ROUND 3)

- 4.1 On 02 February 2017, the C2C LEP announced that it has secured £66m through Round 3 of the Growth Deal. Subject to the required funding agreements, all six projects put forward by the Board were allocated funding - totalling £48.77m – updates as follows.

Worthing Central Phase 1 (Worthing) - £5.6m

4.2 Teville Gate:

A revised Business Case was submitted to and approved by the Investment Committee on the 15th December to divert funding from Teville Gate House to the main Teville Gate site. The Funding enables the Council in partnership with

the land owner/developer to demolish all buildings on the main site including the Council's Multi-storey Car Park.

A tender for the demolition contract has been let and an appointment is expected imminently. The site has already been enclosed with hoarding and a temporary stopping-up order granted in relation to footpaths and areas of public highway on the site.

Demolition is expected to begin at the end of February and is expected to take 20 weeks. A planning application for the redevelopment of the site is expected at the end of March proposing over 400 dwellings, a discount store and ancillary retail and leisure uses.

Negotiations are continuing with the owner of Teville Gate House to secure the redevelopment of the existing office building to secure the comprehensive redevelopment of the site.

4.3 **Union Place:**

The revised Business case was submitted and approved by Coast to Capital on the 15th December enabling the Council to purchase the site to bring forward a mixed use leisure development. The Council completed the purchase on 18th January 2018 and is now working with potential development partners to bring forward the redevelopment of this town centre site.

Decoy Farm (Worthing) - £4.8m

- 4.4 A number of consultants are now engaged to assess off site highway works and the scope to relocate existing employment uses to bring forward additional residential and retail development at the Western Harbour Arm and Worthing town centre. Consultants are also assessing the scope for phased remediation. The studies should be completed in the next few months, meanwhile discussions continue with potential occupiers.

New Monks Farm & Airport (Shoreham-By-Sea) - £5.7m

- 4.5 Revised plans and further information to the original Environmental Statement has been submitted seeking to address concerns raised by statutory consultees and the public for the New Monks Farm site. A further consultation period is underway and due to be closed on the 17th February 2018. Applicants for the Shoreham Airport scheme are also seeking to address heritage and landscape impact concerns raised during the consultation period. It is expected that both applications will be considered in the next few months.
- 4.6 A revised Business Case is being prepared to submit to Coast to Capital to draw down the original funding but to also request additional funding to ensure delivery of the new roundabout on the A27.

Growth Location (Burgess Hill) - £14.9m

- 4.7 In order to assist with the delivery of the infrastructure required to realise the full benefits of the substantial growth anticipated in Burgess Hill, Mid Sussex District

Council (MSDC) submitted a bid to Coast to Capital for Local Growth Fund 3 funds. The bid was primarily to support a sustainable transport package that would link together new and existing developments and improve the experience of travelling to and around Burgess Hill and has been awarded £14.9m. West Sussex County Council (WSCC) has now appointed consultants to undertake the work required to develop a detailed package of sustainable transport measures and they have completed the first phase of this work.

See also 3.33 to 3.38

Sussex Bio-Innovation Centre (Brighton) - £5.5m

- 4.8 Mace has been chosen to build the new Life Sciences facility at the Falmer Campus of the University of Sussex. The development is part of the University's £500 million investment to modernise and improve the campus. The project will be delivered by PREACH, Mace's public sector and education construction business unit, with construction scheduled to begin later this year.
- 4.9 The facility will feature the Bio-Innovation Centre, which will become a hub for growing bio-medical businesses by strengthening partnerships with industry and creating more jobs in the region.
- 4.10 In keeping with the vision of the University's founding architect, Sir Basil Spence, the building's design will include the distinctive use of glass, concrete and brick with provisions of landscaped open space. It will also meet the highest standards of sustainability and incorporate a number of environmentally friendly features.

Black Rock Development (Brighton) - £12.1m

- 4.11 Negotiations to finalise the Conditional Land Acquisition Agreement are anticipated to be complete by the end of March 2018. A funding agreement will also be in place by March 2018. A current timeline for the project assumes enabling works at Black Rock begin in 2019/20 with the design & build process beginning in 2021. The project team will be appointed in 2018 by Standard Life Aberdeen, working closely with the Brighton and Hove City Council team.

5. UPDATE ON LGF PROJECTS (UNALLOCATED FUNDS ROUNDS 1 & 2)

- 5.1 In December 2016, the C2C LEP announced that it had approximately £46.65m of unallocated funds available to support capital growth projects. The Greater Brighton Board put forward eight bids, five of which received funding totalling approximately £9.9m, subject to the relevant funding agreements. Updates are as follows:

Adur Civic Centre (Shoreham-By-Sea) - £1.8m

- 5.2 Planning permission granted in November 2017 for the new 30,000ft² offices on the Civic Centre car park site. A build contract is due to be entered into within the next few weeks with a build period of 18 months. A pre-let has been agreed with a local Company, Focus, to occupy the building once completed.

- 5.3 The main site is to be used partly as the site compound given the restricted dimensions of the car park site. Architects have completed a RIBA Stage 1 assessment for the main site and this is to help market the site later in the year for a mixed use development.

Springman House (Lewes) - £2m

- 5.4 Local Growth Funding enabled Lewes District Council (LDC) to purchase the Springman House site, located in the North Street Quarter development, in March 2017. This project, which provides for the relocation of the fire station, will unlock the £150 million North Street Quarter regeneration scheme. This is a major mixed-use development in Lewes that will deliver significant benefits, including 416 new homes, 13,000m² of commercial floor-space, new flood defences and a new health centre.
- 5.5 Following the purchase of the site, the Council's Cabinet approved the budget for the design and construction of the new facility, which also provides an opportunity to work with Sussex Police to co-locate blue light services in the town. A user group has been established to identify the operational requirements of East Sussex Fire and Rescue. The Council is in the process of securing architects to commence work on design options, with a selection panel meeting to appoint chosen architects in mid-January. It is expected that the new fire station will be open by March 2020.

Railway Quay (Newhaven) - £1.5m

See 3.9

Eastside South (Newhaven) - £1.6m

See 3.9

Royal Pavilion Estate – Corn Exchange & Studio Theatre (Brighton) - £3m

- 5.6 Following the start of works on 13 February 2017, the main contractor R. Durnell & Sons Ltd, is progressing works to the Corn Exchange, Studio Theatre and new public galleries. Coast-to-Capital LEP funding of £3m is being drawn down on a quarterly basis and supports the agreed funding model to ensure that the full scope of works can be delivered. Ongoing coordination and discussions with Brighton Dome & Brighton Festival and the main contractor are focused on mitigating local disruption and facilitating the continued use of the Concert Hall during the works, which are programmed to be completed in autumn 2018. The project has experienced some delays relating to negotiations of the Party Wall Awards, all completed in July 2017, and finds in the ground, including a former Quaker burial ground requiring the exhumation of 18 skeletons.

6. UPDATE ON LGF PROJECTS (UNALLOCATED FUNDS ROUNDS 1 & 2, JULY 2017 CALL)

6.1 In July 2017 Coast to Capital launched a new funding round for unallocated funds from rounds 1 & 2. In December 2017, Coast to Capital announced that a total of £27 million had been allocated in the areas of Housing, Regeneration & Infrastructure; Business, Enterprise & Skills; and Transport. Around £12m of the total will be supporting projects from across Greater Brighton:

- **Crawley College STEM & Digital Centre (Crawley, £5.0m)** to develop a new Science Technology and Maths and Digital Skills centre in Crawley, to create a state of the art learning environment
- **Pelham Campus Redevelopment (Brighton, £5.0m)** to construct a new Centre for Creative and Digital Industries, together with part refurbishment of the Pelham Tower
- **Ricardo Hybrid Powertrain (Shoreham-by-Sea, £1.5m)** to deliver a state of the art four-wheel drive hybrid powertrain rig to enable the research and development of the next generation of electrified powertrain systems and vehicles
- **Charleston Trust Centenary Project (Lewes, £0.4m)** to preserve Charleston's heritage, enhance the Trust's economic and cultural role and expand the site to achieve a sustainable financial future
- **Sussex Innovation Centre (Falmer & Croydon, £0.14m)** to create more space and enable additional support through redesign of the large reception area at Sussex Innovation centre Falmer and to create a co-working space and meeting area, with Business hub space, within the Number One Croydon building.

7. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

7.1 None required.

8. COMMUNITY ENGAGEMENT & CONSULTATION

8.1 None required.

9. CONCLUSION

9.1 The Board is asked to note the contents of this report.

10. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

10.1 There are no direct financial implications associated with this report regarding the progress made in the third quarter of this financial year on approved schemes within the Greater Brighton Investment Programme. Schemes already included

within the Greater Brighton Investment Programme have approved business cases in place with funding options identified and these have been reported to their respective bodies. Future or revised business plans will be reported accordingly within the timescales of the project timetables.

- 10.2 Subject to funding agreements, the C2C LEP have also announced funding of £48.77m toward all six of the projects put forward by the Board as shown in paragraphs 4.2 to 4.11. Further work will be required to identify the match funding requirements for these projects and will be reported back to this board in due course.
- 10.3 The C2C LEP has awarded a total of £9.9m of unallocated Rounds 1 and 2 Local Growth Funding toward the five projects detailed in paragraphs 5.1 to 5.6, subject to funding agreements. It should be noted that all projects will require a degree of match funding; this will be reported back to this board in due course.

Finance Officer Consulted: Rob Allen

Date: 23/1/18

Legal Implications:

- 10.4 There are no legal implications arising directly out of this report.

Lawyer Consulted: Alice Rowland

Date: 17/1/18

Equalities Implications:

- 10.5 None arising from this report. Equalities issues will be addressed on a project-by-project basis.

Sustainability Implications:

- 10.6 None arising from this report. Sustainability issues will be addressed on a project-by-project basis.

Any Other Significant Implications:

- 10.7 None.

SUPPORTING DOCUMENTATION

Appendices:

None

Documents in Members' Rooms:

None

Background Documents:

None