

Subject:	Greater Brighton Investment Programme – Progress Update		
Date of Meeting:	29 January 2019		
Report of:	Chair, Greater Brighton Officer Programme Board		
Contact Officer:	Name:	Nick Hibberd	Tel: 01273 293756
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LA(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 The purpose of the Investment Plan Update is to provide 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 16th October 2018.
- 1.2 Updates are included on the Local Growth Fund (LGF) allocations made as part of the Growth Deal Rounds 1, 2 and 3. The period covered by this report is 1 October 2018 to 30 December 2018.
- 1.3 This cover report provides some context on the LGF Funding Rounds and narrative updates on the Investment Programme projects. Further details on the individual projects can be found in the Investment Programme Update report at Appendix 1.

2. RECOMMENDATIONS:

- 2.1 That the Board note the report and the Investment Programme Update at Appendix 1.

3. CONTEXT/BACKGROUND INFORMATION

LGF Growth Deal Rounds 1 & 2

- 3.1 A total of approximately £90m was allocated to projects across the City Region from LGF Growth Deal rounds 1 & 2. These projects will deliver a total investment of approximately £376m into the City Region, unlocking an estimated 14,000 jobs, 8,200 homes and 450,000sqm of employment floor-space. Current active projects are listed below with a summary of progress since the last update.

3.1.1 *Flood Alleviation Scheme (Newhaven) £7.5m*

October to December 2018 was a quiet and somewhat frustrating period in the development of the Newhaven Flood Alleviation Scheme, during which remaining significant construction work was held up by delays with consents. Remaining

tasks under the project principally comprise the A26 demountable defence 'tie ins' on either side of the trunk road, the completion of the flood defence in the Port Area and the detailed design and construction of the rail flood gate. Consents were received in December for the A26 work and for the work in the Port, and both of these critical elements of the flood defence will be complete in April 2019. With respect to the rail flood gate, difficult negotiations continue with Network Rail. Slow progress is being made and we are hopeful that construction of the first and only passenger rail flood gate in the country will complete in late 2019.

3.1.2 Port Access Road (Newhaven) £10.0m

DfT sign-off for the business case was received on 20 August 2018. East Sussex County Council have finalised contractual arrangements with the contractor (BAM Nuttall). Adverse weather conditions have delayed completion of ecological aspects (including translocation of newts). Groundworks are expected to commence in early 2019. Construction is expected to take 19 months to complete.

3.1.3 New England House Growth Centre (Brighton) - £4.9m

Brighton and Hove City Council, as freeholder, is working towards a land deal on the adjacent Longley Industrial Estate, with aim of securing a private sector mixed use redevelopment on Longley. This would include a significant element of new employment floor-space (that would count towards City Deal output) and a premium towards securing the remainder of the City floor-space output on the New England House site, along with the building's refurbishment. The deal is dependent on Legal & General (L&G) receiving planning permission for its Longley proposal. L&G's planning application was submitted in August 2018 and is currently under consideration by the local planning authority. A planning decision is expected in 2019.

Concept designs, early pre-planning work and financial modelling are in progress for the refurbishment and expansion of New England House.

3.1.4 Digital Catapult & 5G Testbed (Brighton) - £1.8m

Digital Catapult Centre Brighton successfully launched the 5G Brighton testbed in October. Since then they have been working with the first tranche of businesses through 1-2-1 meetings and a 5G accelerator programme to support development of their 5G use cases. The launch generated increased interest in 5G and there have been meetings with a number of firms to help them prepare for the forthcoming testbed open call.

The Immersive Lab has supported the following projects:

- an immersive installation for Vorarlberg museum in Austria created by Root Interactive,
- Izzy and Attic Sound; a 360-viewer developed by VRCraftworks for Royal Caribbean Cruises;
- a haunted VR experience developed by Mutiny Media and tested on Halloween at Stanmer House;

- ‘Nomad’, an augmented reality experience developed for the British Library by Mnemoscene;
- and a prototype immersive Schoenberg visualiser created by classical musician Gillian Spragg.

The centre also hosted workshops and visits from, amongst others, the Society of Local Government Executives, MET College, the Arts Council and Brighton Pavilion MP Caroline Lucas.

3.1.5 Circus Street Innovation Centre & Regeneration (Brighton) - £2.7m

Construction continues to progress. For a variety of reasons, work on some blocks has recently slipped against the timetable; however, this is being closely monitored by the development team. The constructor Henry is devoting additional labour resources wherever necessary and is confident of making up time and delivering all buildings to the agreed handover dates. Offsite infrastructure works have commenced, the student accommodation and residential blocks are at advanced stages, the Dance Space has now reached its full height and work on the office block is ahead of schedule.

3.1.6 Preston Barracks Central Research Laboratory (Brighton) - £7.7m

Site-wide infrastructure and enablement works were completed in October 2018, with piling for the Central Research Laboratory (CRL) completed in November. Construction of the concrete frame for the CRL and associated services also commenced and is proceeding in line with programme, and the entrepreneurial hub remains on target for completion by the end of 2019. Construction of the student blocks on the barracks site commenced in December 2018, completion of which is planned for summer 2020, with the first residential blocks starting mid-2019, and completion of the full development is scheduled for the end of 2022

3.1.7 Valley Gardens – Phases 1 & 2 (Brighton) - £8.0m

The construction of the Valley Gardens Scheme is now well underway with highway improvements continuing on Phases 1A – 1E, Richmond Place Footway, Richmond Parade Junction and Grand Parade Footway currently being worked on.

The permanent site compound is now in place and will remain for the duration of the scheme to the south of St Peters Church. Traffic Management arrangements are in place and reports at stakeholders meetings indicate they are working well to limit disruption.

3.1.8 Adur Tidal Walls & Western Harbour Arm Flood Defences (Shoreham-By-Sea) – £10.5m

Work on the Adur Tidal Walls flood defences started in 2016 and is now in the final stages. Materials used in the construction include 2,500 steel sheets measuring 26 miles in length, more than 220m reinforced flood glass, 700 metre reinforced concrete walls and 15,000 bricks. Construction teams have worked within a few yards of peoples home to complete the scheme. Some of the project has involved a Giken train, of which only two exist in the western hemisphere;

and a floating jack which costs £60,000 a week to hire. The scheme also involved the protection of 800 reptiles (slow worms and lizards) moved from site to Mill Hill and Lancing. The official launch will be in March 2019. Negotiations continue with the Yacht Club to complete the land deal following agreement on Heads of Terms. A planning application has been submitted for the replacement Yacht Club facility which is being considered by Adur District Planning authority, and a separate planning application for the proposed flood defences along the A259 has been submitted.

Adur District Council has commissioned Mott MacDonald to prepare detailed business case to justify the additional funding from the Environment Agency to support the flood defence wall to be delivered.

3.1.9 A2300 Corridor Improvements (Burgess Hill) - £17.0m

See 3.25 below

LGF Growth Deal Round 3

3.2 In February 2017 Coast to Capital announced that it has secured £66m through Round 3 of the Growth Deal. All six projects put forward by the Board were allocated funding - totalling £48.77m. The project updates are as follows:

Worthing Central Phase 1 (Worthing) - £5.6m

3.2.1 **Teville Gate:**

Mosaic Capital is expected to submit a planning application for their redevelopment shortly.

3.2.2 **Union Place:**

The site has been acquired by Worthing Borough Council using the Worthing Central LGF grant allocation. The Land Pooling Agreement has been in place since September 2018.

The development strategy was approved at JSC 6th November 2018 and the sale and leaseback of site C has taken place.

3.2.3 Decoy Farm (Worthing) - £4.8m

Council LEP application was submitted and presented to the Investment Committee and funding has been agreed.

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

Planning permission has been granted for the application submitted for development (600 dwellings, Ikea and new roundabout onto the A27). This will be subject to Secretary of State Call in.

3.2.5 Growth Location (Burgess Hill) - £14.9m

Northern Arc: The outline planning application for the whole development including permission for up to 460 homes at Freeks Farm, was received in December, representing a significant step forward in delivery of the programme.

A2300 corridor improvements: A major project milestone has now been reached with the appointment in November of the design and build contractor (Jackson Civil Engineering). Construction is scheduled to complete in March 2021.

Place and Connectivity: £10.9 million LGF funding confirmed on 13 December following successful presentation to the Coast to Capital Investment Committee. Detailed design underway with construction scheduled to complete in March 2021.

Employment space, The Hub: construction continuing on the 4,000m² DPD warehouse, the first of six phases of development to be delivered on the site. A planning application for the second phase of development was received in December, which in addition to the phase 1 development will deliver over 5,000m² of employment space.

Goddard's Green Waste Water Treatment works: the funding agreement for the £4m LGF funding has now been signed, with the funding agreement for the £6.5m HIF funding presently being finalised. Detailed design and procurement is work underway and construction scheduled to begin in early 2019 and to complete in December 2019.

Digital Infrastructure: A Procurement Information Notice (PIN) for the procurement of the scaffold network was issued in early December. A supplier meeting is scheduled to take place in Mid-January 2019, with procurement to begin in early summer 2019.

One Public Estate: Expressions of interest submitted in November seeking support for feasibility studies for: (1) redevelopment of the land adjacent to Burgess Hill station (submitted through the Greater Brighton One Public Estate Programme), (2) redevelopment of 'The Brow' site in Burgess Hill to provide enhanced accommodation for the emergency services (submitted through West Sussex County Council)

3.2.6 Sussex Bio-Innovation Centre (Falmer) - £5.52m

The University is currently engaging with the design team and preferred contractor to determine how we could take forward the revised project. The university have also engaged with external procurement legal advisors in order to ensure they do not transgress any procurement rules/regulations linked to the OJEU process, and avoid potential challenges should they proceed with the preferred contractor.

3.2.7 Black Rock Development (Brighton) - £12.1m

On 6 December 2018 Brighton and Hove City Council Policy Resources and Growth Committee agreed to sign up to the Conditional Land Agreement. This formalised a timescale for the project which takes the start on site to an estimated 2024-2026. A funding agreement has already been signed with the Coast to Capital LEP, unlocking the £12.1m of LGF funding to enable the project to proceed.

LGF Growth Deal Unallocated Funds Rounds 1 & 2 – December 2016 Call

3.3 In December 2016 Coast to Capital 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. The project updates are as follows:

3.3.1 Springman House (Lewes) – £2.0m

The Council completed the purchase of Springman House from the vendors in March 2017. In June 2017 the Council's Cabinet authorised the design and construction of the new blue light facility. In January 2018, architects were appointed to commence work on master-planning and design options.

The architects have undertaken detailed consultation with the blue light end users in order to establish their operational requirements. Work on the site masterplan and building layout options is currently underway and planning consultants have now been instructed to commence preparation of a planning application for the site.

3.3.2 Railway Quay (Newhaven) - £1.5m

Flood defence works on site are now completed and negotiations are underway with existing tenant re: relocation. Initial masterplan has been prepared and discussions undertaken with potential tenants. However delays have been created by impending closure of adjacent UTC@harbourside in August 2019. No further decisions will be made until the future of the UTC has been finalised – a decision from Government is expected in early 2019.

3.3.3 Eastside South (Newhaven) - £1.6m

Work on Phase 2 commenced in April 2018. Phase 2 is being built according to demand, with the first unit nearing completion.

3.3.4 Heritage Centre Stage – Corn Exchange & Studio Theatre (Brighton) - £3.0m

Work on site has included

- continuing remedial works to Corn Exchange roof joists to address significant structural defects;
- continuing works to Studio Theatre roof; structural works to upper floors 29 New Road;
- Corn Exchange large window refurbishment and replacement; external cleaning and decoration;

- installation of chiller and heating pipework;
- installation of steelwork for public lift and back of house staircase; installation of partition walling in Studio kitchen ground floor;
- installation by helicopter of Dry Air Coolers on Dome roof

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 None required.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 None required.

6. CONCLUSION

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

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 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. The progress of each scheme is detailed within the Investment plan Update Report in appendix 1. Future or revised business plans will be reported accordingly within the timescales of the project timetables.

*Finance Officer Consulted: Rob Allen, Principal Accountant
Date: 17/01/19*

Legal Implications:

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

*Lawyer Consulted: Joanne Dougnaglo, Senior Property Lawyer
Date: 17/01/19*

Equalities Implications:

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

Sustainability Implications:

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

Any Other Significant Implications:

7.5 None.

SUPPORTING DOCUMENTATION

Appendices:

1. Greater Brighton Investment Update Report January 2019

Background Documents:

None