

<b>Subject:</b>	<b>Greater Brighton Economic Board – Admission of New Member to the Board</b>		
<b>Date of Meeting:</b>	<b>18 July 2019</b> Full Council: 25 July 2019		
<b>Report of:</b>	<b>Executive Director for Economy Environment and Culture</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Andy Hill</b>	<b>Tel:</b> <b>01273 291873</b>
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<b>Ward(s) affected:</b>	<b>All</b>		

**1. PURPOSE OF REPORT AND POLICY CONTEXT:**

- 1.1 On 29 October 2018 Arun District Council wrote a letter to the Chair of the Greater Brighton Economic Board (“the Board”) formally requesting to join the Board.
- 1.2 At the Greater Brighton Economic Board Meeting on 26 March 2019, a decision was made that Arun District Council should be invited to become a constituent member of the Board, joining the Greater Brighton Economic Joint Committee.
- 1.3 Extending the membership of the board triggers a variance in the Board’s Heads of Terms that will require the formal ratification of all Joint Committee members; Adur District Council, Brighton & Hove City Council, Crawley Borough Council, Lewes District Council, Mid Sussex District Council and Worthing Borough Council. Each member will need to individually ratify the membership of proposed new members in accordance with their own internal committee processes.
- 1.4 In addition, at the Greater Brighton Economic Board Meeting on 26 March 2019, several other changes to the Board’s Heads of Terms were agreed. As per the change of membership, these changes to the Heads of Terms will need to be ratified by each member of the Joint Committee.
- 1.5 This report seeks approval from the Policy, Resources & Growth Committee and Full Council to enable Arun District Council to become a member of the Board, and to agree the other changes to the Board’s Heads of Terms. Each local authority member of the joint committee is seeking equivalent approvals from their decision-making bodies.

**2. RECOMMENDATIONS:***That the Policy, Resources & Growth Committee:*

- 2.1 Recommends to Full Council on 25 July 2019 that Arun District Council joins the Greater Brighton Economic Joint Committee, subject to formal agreement of Arun District Council.

- 2.2 Recommends to Full Council that it agrees to the other changes within the Greater Brighton Economic Board Heads of Terms as detailed in paragraph 3.9.
- 2.3 Notes that these changes to the membership and Heads of Terms are dependent on the decision of Full Council, all the local authorities represented on the Joint Committee agreeing that the new members be appointed, and the Board taking a formal decision that the new members are appointed.
- 2.4 Recommends to Full Council that it agrees to amend the Board's Heads of Terms and that it instructs the Monitoring Officer to amend the Council's constitution to reflect these amendments once they have been formally approved by all the constituent authorities and the Greater Brighton Economic Board.

That Full Council:

- 2.1 Agrees that Arun District Council joins the Greater Brighton Economic Joint Committee.
- 2.2 Agrees to the other changes within the Greater Brighton Economic Board Heads of Terms as detailed in paragraph 3.9.
- 2.3 Notes that these changes to the membership and Heads of Terms are dependent on the decision of all the local authorities represented on the Joint Committee agreeing that the new members be appointed, and the Board taking a formal decision that the new members are appointed.
- 2.4 Agrees to amend the Board's Heads of Terms and instructs the Monitoring Officer to amend the Council's constitution to reflect these amendments once they have been formally approved by all the constituent authorities and the Greater Brighton Economic Board.

**3. CONTEXT/ BACKGROUND INFORMATION:**

- 3.1 The Greater Brighton Economic Board was founded in April 2014 as part of the Greater Brighton City Region's City Deal with Government.
- 3.2 The Board comprises the Greater Brighton Economic Joint Committee ("GBEJC"), on which the local authorities are represented; and the Greater Brighton Business Partnership ("GBBP"), on which the Coast to Capital Local Enterprise Partnership, business, university and further education sectors are situated.
- 3.3 The following bodies are members of the Board:
  - i. Brighton & Hove City Council
  - ii. Adur District Council
  - iii. Worthing Borough Council
  - iv. Lewes District Council
  - v. Mid-Sussex District Council
  - vi. Crawley Borough Council

- vii. University of Sussex
- viii. University of Brighton
- ix. Greater Brighton Metropolitan College
- x. Coast to Capital Local Enterprise Partnership
- xi. Brighton & Hove Economic Partnership
- xii. Adur & Worthing Business Partnership
- xiii. Coastal West Sussex Partnership
- xiv. South Downs National Park Authority
- xv. Gatwick Airport Ltd

3.4 GBEJC comprises the bodies specified in paragraphs 3.3(i) to (vi); and GBBP comprises the bodies specified in paragraphs 3.3(vii) to (xv).

3.5 The functions of the Board are as follows:

- i. To make long term strategic decisions concerning regional economic development and growth;
- ii. To be the external voice to Government and investors regarding the management of devolved powers and funds for regional economic growth;
- iii. To work with national, sub-national (in particular the Coast to Capital Local Enterprise Partnership) and local bodies to support a co-ordinated approach to economic growth across the region;
- iv. To secure funding and investment for the Region;
- v. To ensure delivery of, and provide strategic direction for, major projects and work streams enabled by City Deal funding and devolution of powers;
- vi. To enable those bodies to whom section 110 of the Localism Act 2011 applies to comply more effectively with their duty to co-operate in relation to planning of sustainable development.
- vii. To incur expenditure on matters relating to economic development where funds have been allocated directly to the Board for economic development purposes.

3.6 Working in partnership, the Greater Brighton City Region has brought significant benefits to the partner Local Authorities and agencies. Together the partnership has secured around £160m of Growth Deal funding held by the Coast to Capital Local Enterprise Partnership.

3.7 The Board's success and growing reputation has gained interest across the region, and Crawley Borough Council and Gatwick Airport Ltd joined the partnership in February 2018. Arun District Council requested to join the Board in October 2018.

3.8 Some points for consideration are summarised below;

#### Functional Economic Area

3.8.1 Recent work undertaken by the West Sussex and Greater Brighton Strategic Planning Board has recognised that Arun lies within both the Housing Market area and Functional Economic Market Area of that part of the coast including all or parts of Adur, Worthing, Brighton & Hove, Lewes and Mid Sussex.

- 3.8.2 Arun is a net exporter of workers to the City Region, as well as forming part of its housing market. Based on 2011 Census data, Arun provides jobs for around 4,500 Greater Brighton residents, whilst 9,000 of Arun's residents were employed across Greater Brighton. Aligning strategy and investment activity would add value to the region as a whole.
- 3.8.3 Arun can add much to the critical mass and economic diversity of the Greater Brighton City Region economy. Arun's economy supports around 55,000 jobs, and the addition of Arun to Greater Brighton would take the City Region's job base (currently circa 475,000) to over half a million, which would be a significant milestone. The current Gross Value Added (GVA) of Greater Brighton is around £23.1bn. Arun's economy currently generates around £2.3bn GVA, which would represent a 10% uplift to the current Greater Brighton economy.
- 3.8.4 In terms of job growth, estimates from Experian indicate that Greater Brighton could grow by around 73,000 jobs over the next 20 years, with growth in Arun being around 5,300 new jobs over the same time period. If included in Greater Brighton, the projected job growth in Arun would provide an uplift of around 7% to the City Region total.
- 3.8.5 Arun has a broad-based economy including representation in a number of high-value sectors such as knowledge-based manufacturing and advanced engineering activities. The greatest uplift to Greater Brighton's current GVA would be seen in the agriculture, construction, accommodation and food services, and wholesale and retail sectors.
- 3.8.6 This reflects that Arun has local sector concentrations in construction, wholesale and retail, accommodation and food services, real estate, public administration and defence, human health and social work, and arts, entertainment and recreation. The key sector strength in Arun is accommodation and food service activities, in particular restaurants and mobile food service activities, and holiday and short stay accommodation.
- 3.8.7 In addition, Arun has a distinct local concentration of knowledge-based manufacturing and engineering activities. Supporting growth in specialised and highly-productive industries is a key objective of the Government's Industrial Strategy. There are a number of advanced engineering/manufacturing firms within Arun, hence Arun's businesses could be well placed to respond.

#### Housing Delivery

- 3.8.8 Arun provides a source of relatively affordable housing that contributes to the functioning of the Greater Brighton economy. ONS statistics show that in 2016 around 1,900 people moved out of Greater Brighton and into the Arun region, specifically from Worthing and Brighton & Hove. The District has significant potential to increase future capacity for housing and employment space in Greater Brighton. Current Local Plans for the six Greater Brighton local authorities give a combined figure of around 49,000 new homes to be built up to 2032. Arun's Local Plan, which was adopted in June 2018, makes provision to deliver 20,000 dwellings over the period. This would increase the City Region's housing delivery by 40%.

3.8.9 The Arun Local Plan proposes a wide range of housing allocations including several large-scale strategic sites which will provide sustained high levels of delivery over the medium and long term. When considered in the context of the housing trajectories published by the Greater Brighton local authorities to 2026, this indicates that Arun could be contributing about 32% of housing delivery in the City Region by 2022/23.

#### Employment Land Supply

3.8.10 In addition to housing, the Arun Local Plan makes provision for significant capacity for additional employment floor space, which could supplement the City Region's constrained supply. The Local Plan provides allocations for around 292,000m<sup>2</sup> of floor space capacity. The most significant allocation is Enterprise Bognor Regis and this space has started to come forward for development. These allocations would be the largest in Greater Brighton, with the next highest being the proposed 200,000m<sup>2</sup> of commercial space across strategic employment sites in Burgess Hill.

3.8.11 Commercial property market intelligence indicates that businesses from Greater Brighton, particularly along the coast, seeking new accommodation for expansion or upgrading would be likely to consider Arun if there was a lack of suitable floor-space in their districts, particularly as regards larger space requirements. This has recently been demonstrated by the Rolls Royce expansion in Bognor Regis, away from the company's Goodwood base at Chichester.

3.8.12 Arun is likely to play an increasingly important role in accommodating some of the commercial property needs of Greater Brighton and the A27 corridor in particular. This might apply both to occupiers relocating from more constrained locations, but importantly being retained within the City Region, or working to a "hub and spoke" model whereby they structure their operations and supply chains across a range of locations.

#### Skills

3.8.13 Chichester University (Bognor Regis Campus) has invested over £50m with direct assistance from Arun District Council for the new Learning and Resource Centre and the new Tech Park at the Bognor Regis Campus. The Learning Resource Centre will promote STEM courses and bring 1,500 new students to the town. The council has also developed Enterprise@Bognor Regis with a Local Development Order which has unlocked sites for development, resulting in attracting Rolls Royce to create a new logistics and finishing site.

#### Infrastructure & Other Priorities

3.8.14 The ambition and vision for housing outlined in 3.8.8-3.8.9 require significant infrastructure support. Arun's Infrastructure Delivery Plan sets out the requirements, which include the development of a new secondary school and nine primary schools on top of current educational expansion. The A27, A259 east-west corridor and north-south A23 corridor are both key priorities for Arun.

- 3.8.15 Arun can actively contribute to the Board's future work plan, particularly on housing, economic growth, strategic planning and adding new projects to the pipeline for future funding bids to Government and others.
- 3.8.16 Arun's membership would give additional capacity and capability to deliver sub-regional spatial priorities in a coordinated way, building on existing mechanisms such as the West Sussex and Greater Brighton Strategic Planning Board.

### **Heads of Terms:**

- 3.9 There are a number of changes to the Heads of Terms that the Board agreed on 26 March 2019. These are as follows:
- I. Change to 5.1 (Membership) to reflect the recommendation in paragraph 2.1 above that Arun District Council be formally invited to join the GBEJC.
  - II. Change to 6.4 (Chair) to reflect the agreed departure from a 1-year fixed-term Chair with the requirement to rotate annually, to allowing a sitting chair to stand for re-election.
  - III. Amendment to 11.1 (Time and Venue of Meetings) to reflect the current practice that Board meetings move around the City Region and do not always take place in the geographical area of the Lead Authority (currently Brighton & Hove City Council).

### **4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS:**

- 4.1 An alternative would be for the membership to remain as it is currently, but for the reasons outlined in paragraphs 3.8.1-3.8.16, the Greater Brighton Economic Board took the decision to extend the membership to Arun District Council.
- 4.2 The Board also agreed the governance changes outlined in points II and III in paragraph 3.9 above.

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

- 5.1 None required

### **6. CONCLUSION:**

- 6.1 The Policy, Resources & Growth Committee is asked to recommend to Full Council that Arun District Council joins the GBEJC, and recommends to Full Council that it agrees the other changes to the Board's Heads of Terms. The Policy, Resources & Growth Committee is also asked to accept the other recommendations outlined in this report.
- 6.2 Full Council is asked to agree that Arun District Council joins the GBEJC, and agrees the other changes to the Board's Heads of Terms. Full Council is also asked to accept the other recommendations outlined in this report.

## 7. FINANCIAL & OTHER IMPLICATIONS:

### **Financial Implications:**

- 7.1 Any financial commitments and benefits associated with membership of the Greater Brighton Economic Board in relation to Arun DC is dependent upon the decision of all the local authorities represented on the Joint Committee obtaining approval that Arun DC be appointed as a new member. As a constituent member of the Greater Brighton Economic Board Arun DC will make a financial contribution toward the operation costs associated with the Board. The operational arrangements for 2019/20 were approved at the Board on 29 March 2019 therefore Arun DC will make a contribution in line with the funding calculation outlined in that report from 1 April 2020.

*Finance Officer Consulted: Rob Allen, Principal Accountant*

*Date: 23/05/19*

### **Legal Implications:**

- 7.2 The GBEJC is a joint committee established pursuant to section 102(1)(b) of the Local Government Act 1972. The Local Government Act 1972 and The Local Authorities (Arrangements for the Discharge of Functions (England) Regulations 2012 requires the constituent authorities of a joint committee to decide the membership of that committee and it is therefore necessary for the Council to take the decisions outlined in this report in order for Arun District Council to become a member of GBEJC.
- 7.3 This decision to alter the membership of the joint committee is one which must be taken by Full Council by virtue of section 102 of the Local Government Act 1972.
- 7.4 Policy, Resources and Growth have authority under Article 13 of our constitution to amend the terms of reference of a joint committee and they have therefore approved the proposed amendments to the Heads of Terms subject to the decision of all the constituent authorities and a decision by the Board to admit Arun District Council.

*Lawyer Consulted: Joanne Dougnaglo, Senior Property Lawyer*

*Date: 28/05/19*

### **Equalities Implications:**

- 7.5 None.

### **Sustainability Implications:**

- 7.4 None.

### **Any Other Significant Implications:**

- 7.5 None.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Heads of Terms of the Greater Brighton Economic Board

### **Documents in Members' Rooms:**

None

### **Background Documents:**

None

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