

Subject:	Greater Brighton Investment Programme – Progress Update		
Date of Meeting:	26 January 2021		
Report of:	Chair, Greater Brighton Officer Programme Board		
Contact Officer:	Name:	Nick Hibberd	Tel: 01273 293756
	Email:	Nick.Hibberd@brighton-hove.gov.uk	
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 20 October 2020.
- 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 2020 to 31 December 2020.
- 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 450,000m² 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*

The period January to June 2019 saw completion of all fixed flood defences under Newhaven FAS. The final element of the fixed defences, completed in mid-April, was a revised flood wall alignment in the Newhaven Port area of the

scheme. This alignment was revised in part to (successfully) address significant expected cost overruns had the original alignment been followed and also responded to uncertainty about future land use in Newhaven Port. The revised alignment also provided the opportunity to trial the use of low-carbon ('Cemfree') cement with 88% less embodied carbon than traditional cement.

The demountable flood barrier over the A26 has now been successfully completed. Substantial progress on the rail flood barrier together with Network Rail has been made, with 90% of all works now completed. Rail possessions are in place during December to progress the rail flood barrier works.

3.1.2 Port Access Road (Newhaven) £10.0m

Construction commenced early January 2019, with works now well underway. BAM Nuttall has been appointed as contractor. Construction is expected to take 19 months to complete. Substantive works are now complete, with some landscaping and remediation works being completed early next year. The next phase of development will be the construction of two short link roads to provide access to different areas of Newhaven Port. This work is likely to start during 2021, but is not funded through the Investment Programme.

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

Following costings of design options, the options closest to financial viability comprises a two- storey roof extension (+ replacement facade and some internal changes) yielding a net increase of 2,618 sq m lettable floorspace. In conjunction with the adjacent Longley House development, 5,888 sq m of new employment floorspace would be provided, close to the City Deal target of 7,090 sq m. The revised design would result in considerably less disruption to existing business than alternative options explored. Recent feedback from tenants has been positive in this respect. In order to provide the project with momentum and put it in a good position for funding opportunities to cover the relatively low viability gap, the council's Policy & Resources Committee will be requested on 21 Jan to approve the preparation and submission of the above design option as a planning application.

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

Partners have been working to mitigate the effects of Covid-19 on DCCB activity. Within the Fusebox at New England House, we have relocated the 5G testbed to create a socially protected space for start-ups on the current Accelerator Programme. We have enabled remote access to the testbed for some others. However, we have still had 2 (of 8) companies drop out of the current Creative Industries 5G TAP due to Covid-related issues.

Support for immersive businesses continues, but necessarily at a much more limited scale than pre-Covid. We have delivered a short programme of activity for Legal & General's R&D team around the value of emerging and immersive technologies.

Detailed planning continues with Brighton Dome and other DCCB partners around the delivery of the DCMS-funded, music-industry focussed 5G Festival

project and the C2C LEP supported Ring and Testbed programmes. Both are due to commence in early 2021.

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

Practical completion and handover was achieved on the residential blocks. Work has progressed on the office the office block and- towards the end of the year - on The Dance Space.

3.1.6 Plus X (Brighton) - £7.7m

The Plus X building is now fully operational. The management team continues to promote the facilities on offer and membership is increasing. Despite challenging conditions due to Covid-19, which resulted in a slower start than anticipated, the building has around 100 memberships on flexible plans. The management team is also hopeful of letting significant floorspace on levels 5 and 6. Plus X has also successfully launched its scale up innovation programme, the Brighton Research Innovation Technology Exchange (BRITE). BRITE is a business innovation programme for ambitious and established businesses primarily based in the Coast to Capital Local Enterprise Partnership region. Other elements of the wider development are progressing well. The student blocks on Preston Barracks are almost complete and the first tranche of students have moved in. Construction of the final residential blocks will commence shortly. The University of Brighton's adjacent development is also advancing well.

3.1.7 Valley Gardens – Phase 3 (Brighton) - £8.0m

The third public consultation exercise for Valley Gardens Phase 3 has completed in late 2020, which will inform the detailed design stage.

Following a tendering process that completed in late 2020 through the council's new Transport Professional Services Framework the next stage of the scheme design will commence in January 2021.

It is now planned for the detailed design of the scheme and construction contract procurement will be completed by end of this calendar year

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

Key areas of progress since the last period include;

- Established Design Team
- Preliminary survey programme
- Developed designs for flood wall to RIBA3/4
- Preparation of cost plans for delivery
- Early engagement with Volker Stevin through new EA Framework

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:**

Main developments since the last period:

- Construction commenced on new office building for Teville Gate House and topping-out took place on 01/04/2020.
- Mosaic Capital's planning application was considered by planning committee on 04/03/2020 and resolution to grant permission subject to S106
- Homes England provided a letter committing to support the project with funding of £6m for affordable homes.

3.2.2 **Union Place:**

Main developments since the last period:

- Approval of Outline Planning Consent at Planning Committee 4th November
- Commencement of S106
- Preparation of marketing brief
- Workshop on Development Strategy with London Continental Railways

3.2.3 Decoy Farm (Worthing) - £4.8m

Main developments since the last period:

- Award of the remediation contract to Keltbray. Pre-construction phase complete.
- Construction phase mobilisation, welfare/site set-up, environmental controls and waste treatment system in place.
- Translocation of reptiles, site-wide vegetation clearance and destructive survey complete except for exclusion zones.
- Excavation works have commenced at the north end of the site working south. Stockpiles of material are being formed in the southwest corner so the material can be processed.
- Budget management to ensure full use of LEP funds.

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

ADC, WSCC, and developers finalised the S106 agreement and planning decision letter was issued on 06/02/2020

Works continue on site on flood drainage, remediation, and ground preparation works for the development.

3.2.5 Growth Location (Burgess Hill) - £14.9m

Northern Arc: Work is continuing on site with housebuilder Countryside Properties. Work on both the Eastern Bridge and Link Road and the Western Link Road is set to continue, with the whole on these links scheduled for completion by the end of 2021

Place and Connectivity: Work continues on delivery of the first of the phase 1 schemes including public art and other public realm improvements to the underpass at Wivesfield Railway station. Detailed design work continues for highway improvements at Burgess Hill and Wivelsfield Stations, public realm improvements for Church Walk / Church Road, and access & connectivity improvements for Victoria Business Park. Site clearance activities are complete on all Town-wide and Green Circle routes.

A2300 corridor improvements: Construction began in spring 2020 and is ongoing. The project remains on schedule for completion by October 2021.

Employment space, The Hub: The second phase of development (a 5,000m² warehouse for Roche Diagnostics) was completed in early February. Outline planning permission for the remaining 40,000 m² has been approved, and issued.

Digital Infrastructure: Works to implement the Digital Infrastructure across and around Burgess Hill, including a southern link to Brighton and a northern link via Horsham to Crawley, are well progressed despite Covid-19 challenges. A number of Dig-Once opportunities have been identified. Works have progressed at pace with over 12.2km of duct infrastructure installed across Burgess Hill. This includes 8.7km (83%) of the duct in the Local Full Fibre Network (LFFN) project and an additional 3.5km delivered through Dig Once on the A2300. The programme on plan to deliver completed network by 31st March 2021.

One public estate (OPE) 7:

The Brow - redevelopment of an extended Brow site in Burgess Hill will provide enhanced accommodation for the emergency and primary care services and to create space for 440 new homes (led by WSCC). Consultants Faithful and Gould have completed a draft viability study which is currently being reviewed alongside engagement and discussion with other stakeholders.

Land adjacent to Burgess Hill station - The conceptual scheme remains in the feasibility stage and covers a 2.3 hectare site, providing: new apartments, a multi storey car park, new employment space and significant remodelling of the train station infrastructure. Engagement continues with Network Rail and The Arch Company (the principal parties with an interest in the site). A further OPE Bid has been submitted to help secure additional feasibility work. As the scheme is at the design stage Covid-19 has not had an impact at this time.

Goddards Green Waste Water Treatment Works: Phase 1 of the project has been completed delivering most of the odour reduction benefits. All the £4m LGF-funding has been spent, and the project is now continuing at pace funded through the £6.54m HIF grant. Covid-19 caused a slight delay to the project, resulting from staff in Southern Water's supply chain being furloughed and from

the overseas suppliers of some components temporarily closing their factories. Whilst this delay is anticipated, these issues have been resolved and mitigation measures are in place to ensure that all the odour reduction benefits are realised by December 2021.

3.2.6 Waterfront (Brighton) - £12.1m

Brighton & Hove City Council presented analysis to the Local Enterprise Partnership of the Black Rock Enabling Works project's future economic impact and Value for Money.

Partners began a series of workshops to establish their ambition for the central Waterfront site, discuss how to create a masterplan and develop a brief to market.

Planning was submitted in February 2020, and the Planning Committee resolved to grant consent in June 2020. Commencement of the Main Construction Works is due in March/April 2021, with completion scheduled for March/April 2022.

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 Economic Board put forward eight bids, five of which received funding totalling approximately £9.9m. The project updates are as follows:

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

Phase 2: Public consultation on proposed development by Hyde Housing took place on 20/02/2020 and detailed design work is underway with a view to the planning application being submitted in Summer 2020.

Issues have arisen from Hyde Housing due to Covid19 and will delay exchange and submission of the planning application.

3.3.2 Springman House (Lewes) – £2.0m

Following the purchase of the site by Lewes District Council, plans have been drawn up with the East Sussex Fire and Rescue Service Sussex Police and the South East Coast Ambulance Service.

NSQL, the majority landowner at the NSQ site, has confirmed that it will sell its land to a third-party developer – Human Nature. On 10th December 2020, the Council's Cabinet agreed heads of terms for the sale of its land to this developer. The Council will now work with Human Nature to understand their plans and timescales for development of the NSQ site, including the fire station.

3.3.3 Railway Quay (Newhaven) - £1.5m

Flood defence works on site now completed and negotiations underway with existing tenant re: relocation. Initial masterplan has been prepared and discussions undertaken with potential tenants. LDC has secured £1.3m from the Getting Building Fund to convert the former UTC building into a maritime and

sustainable technology hub, offering education / training space and commercial facilities for SME's. Discussions with DfE are ongoing around lease arrangements. This has been augmented by a commitment of £500k from LDC towards the estimated £1.8m project costs.

Railway Quay is progressing, with £500k secured from Towns Fund Accelerated Project Funding to deliver new visitor, community and sustainability facilities, including a café and active travel hub. A planning application is due for determination in mid-December with an anticipated start on site in January 2021.

3.3.4 Eastside South (Newhaven) - £1.6m

Work on Phase 1 was completed in 2018, with two new occupiers operational by April 2019.

Work on Phase 2 commenced in April 2019 and demand has been strong for the new units. Almost all units now either occupied or under offer. All substantive works have now been completed on site.

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

The Council's appointed Management Contractor, Westridge Construction Limited, is progressing emergency and remedial works to achieve weatherproof buildings. Following the completion of all structural remedial works to the 200 year-old Corn Exchange timber frame, lead guttering and new slate roof are completed. While the direct impact of Covid-19 has reduced with no subcontractors leaving site during the second lockdown, further delays remain a risk and on site measures including physical distancing, track and trace venue check-in, increased cleaning regime and visitors asked to wear facemasks are in place. . Finishing and completion works have started with the installation of the Corn Exchange oak wall boarding. Practical Completion is now anticipated in December 2021.

LGF Growth Deal Unallocated Funds Rounds 1 & 2 – July 2017 Call

3.4 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 is supporting projects from across Greater Brighton:

- Crawley College STEM & Digital Centre (Crawley) - £5.0m
- Pelham Campus Redevelopment (Brighton) - £5.0m
- Ricardo Hybrid Powertrain (Shoreham-by-Sea) - £1.5m
- Charleston Trust Centenary Project (Lewes) - £0.6m

LGF Growth Deal Unallocated Funding – June 2019 Call

3.5 In June 2019 Coast to Capital announced that it had approximately £9.1m of unallocated funds available to support capital growth projects. Funds would specifically target projects that contribute towards the Coast to Capital Gatwick 360 Strategic Economic Plan (SEP); to deliver economic outputs as detailed within the 8 priorities SEP, or to support medium term delivery of the Strategy. This call was open for Expression of Interest (EOI) applications from Tuesday 11th June 2019 until 12noon on Tuesday 2nd July 2019.

3.6 A total of 6 projects from across the Greater Brighton region were awarded funding:

- Developing Land Based Skills and Skills Resilience in People (Plumpton College) - £831,265
- Gigabit Coast: Adur & Worthing (Adur & Worthing Councils) – £2,000,000
- Haywards Heath College (Chichester College Group) – £1,200,000
- Crawley Growth Programme Phase 3 (Crawley DC/West Sussex CC) - £820,000
- Brighton 5G Fibre Ring (Brighton & Hove City Council) - £832,647
- Littlehampton Town Centre Public Realm Improvement Scheme (Arun District Council) - £564,274

In addition, West Sussex County Council were awarded £2,000,000 for the Converged Fibre Connectivity Programme, which will have an impact across the West Sussex Districts.

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. Unallocated LGF Growth Deal Funds of £9.1m were available from June 2019 with 6 bids (totalling £6.248m) being awarded to schemes within the Greater Brighton region, these are shown

at paragraph 3.6 above. Future or revised business plans will be reported accordingly within the timescales of the project timetables.

Finance Officer Consulted: Rob Allen, Principal Accountant
Date: 15/01/21

Legal Implications:

None.

Lawyer Consulted: Joanne Dunyaglo, Senior Property Lawyer
Date: 13/01/2021

Equalities Implications:

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

Sustainability Implications:

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

Any Other Significant Implications:

- 7.4 None.

SUPPORTING DOCUMENTATION

Appendices:

Greater Brighton Investment Update Report January 2021

Background Documents:

None

