

Subject:	Greater Brighton Investment Programme Update Report		
Date of Meeting:	21 April 2015		
Report of:	Chair, Greater Brighton Officer Programme Board		
Contact Officer:	Name:	Nick Hibberd	Tel: 29-3756
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LA(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 a progress update on the Greater Brighton Investment Programme ('the Programme').
- 1.2 The period covered by this report is 16 February to 31 March 2015.

2. RECOMMENDATIONS:

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

3. PROGRAMME HIGHLIGHTS:

- 3.1 The Programme Dashboard and Reporting Book that are attached as Appendix 1 and 2 provide an overview of each project contained within the Programme and their current statuses.
- 3.2 The Programme is progressing to time, budget and quality and there currently are no major issues to report to the Board.

Brighton Digital Exchange

- 3.3 Work on site at New England House to build the Digital Exchange is nearing completion – fibre cabling has been installed throughout the building and the host room has been established.

Brighton Digital Catapult

- 3.4 The Digital Catapult was launched at New England House on 12 March 2015 and the collaboration agreement has been signed.

Superconnected Cities Programme (Broadband Voucher Scheme)

- 3.5 The Scheme has now been extended to cover the business clusters and urban areas of the Greater Brighton City Region. To date, 6 vouchers have been offered to companies in Shoreham, Southwick, Lancing and Burgess Hill.

- 3.6 Both the Coast to Capital Local Enterprise Partnership and Broadband Delivery UK have agreed to the further extension of the Scheme to cover the whole Coast to Capital area (excluding Croydon). Brighton & Hove City Council, as the Accountable Body, is in the process of finalising the formal paperwork with Broadband Delivery UK, in readiness for a formal launch in April 2015.

Advanced Engineering Centre

- 3.7 Project Managers have been appointed and a Project Board meets regularly. A project plan to cover the funding period is in place, as is a detailed risk register.
- 3.8 Draft design proposals are currently being prepared. A planning application is due to be submitted in May 2015.

Newhaven Flood Alleviation Scheme

- 3.9 Draft outline design options for the defences along the east and west banks of Newhaven have been prepared and on 09 and 13 February 2015 the Environment Agency held two exhibitions at the Hillcrest Centre to ask the public for their views on these options. Over 80 people attended the exhibitions and gave valuable and positive feedback. The Environment Agency is currently creating a summary report of the feedback that was received.
- 3.10 Site surveys (topographical, ground conditions and ecological) have or will be starting on site imminently.
- 3.11 To ensure spend, work to safeguard the delivery of the accelerated elements is on-going. These 'quick wins' are the University Technical College, the west bank and Network Rail.
- 3.12 The timetable for the works can be summarised as follows:
- Planning Application Requirements (PAR) approval December 2015
 - Phase 1 construction start April 2016
(UTC in June 2015 if possible)
 - Phase 2 construction start April 2017
 - Construction complete 2019

Newhaven Enterprise Zone

- 3.13 There was not an announcement about the Newhaven Enterprise Zone in this year's budget. However, two others were announced elsewhere in the country, showing that there is a renewed appetite for enterprise zones. Lewes District Council has refreshed the Newhaven Enterprise Zone application and continues to push the case with the Department for Business Innovation & Skills via the Coast to Capital Local Enterprise Partnership.

Shoreham Flood Defences – Adur Tidal Walls

- 3.14 The detailed design work on the £25m flood defence scheme is progressing well and is currently on track. Public consultation has been undertaken and the associated 'design freeze' lifted. The Environment Agency is now developing the Environmental Impact Assessment (EIA) to support the full planning application, which will be submitted in Summer 2015.

- 3.15 Subject to planning permission being granted, it is intended that a tender for the construction of the approved scheme would be let in late 2015 and that work start on site in early 2016.

Shoreham Flood Defences – Western Harbour Arm

- 3.16 The Flood Management Guide is currently being approved by Adur District Council and Brighton & Hove City Council. This will establish the key design principles for the comprehensive flood defence solution and in particular set out the broad design for the Sussex Yacht Club and Kingston Beach sections, which will be funded through the Growth Deal.
- 3.17 A 'design and build' tender is being prepared for the construction of the flood defence in both locations and it is hoped that an existing Framework Agreement can be utilised to speed-up the procurement process.
- 3.18 It is anticipated that a planning application for the works will be submitted in Autumn 2015, with a start date in Spring 2016.

Circus Street and Edward Street Quarter

- 3.19 Planning permission for the development was granted by Brighton & Hove City Council in September 2014, subject to a Section 106 agreement that has now been signed by all parties (in March 2015). The council is progressing work with its development partners to finalise the details of the Development Agreement (legal agreement to guide the development process) and to ensure that the necessary funding mechanisms are in place for the development to go ahead. Tendering of various elements of the build contract is currently being undertaken by Cathedral. Demolition is due in July 2015 with full construction commencing in November 2015.

Preston Barracks Central Research Laboratory

- 3.20 Brighton & Hove City Council continues to work closely with its partners at the University of Brighton and the Cathedral Group to progress exciting plans for the comprehensive redevelopment of the council owned former barracks site and adjacent university land. In parallel with working towards the satisfaction of a number of preliminary contractual conditions, the University and Cathedral have been assembling their full professional teams. They have also undertaken a review of their original masterplan proposals that is consistent with the original vision but reflects the University's wider estates strategy review. Their outline plans were presented to the council at a 'Planning Workshop' on 24 March 2015 and to the cross-party Project Board on 27 March 2015. The latest proposals will now need to be developed to a more detailed stage.

New England House Growth Centre

- 3.21 As previously reported to the Board, the £4.9m City Deal funding has now been approved by the Department for Communities & Local Government and transferred to Brighton & Hove City Council. The Council is currently examining options for bringing forward the redevelopment and refurbishment and will be consulting with tenants and other stakeholders as part of this process.

Sussex Innovation Centre – Block J

3.22 Construction of the new Sussex Innovation Centre Brighton facility is now underway. Site clearance has started on Block J at New England Square. It is anticipated that the Centre be open in Spring 2016 and that it will be a satellite site for the Sussex Innovation Centre Croydon, which will open in June 2015. Each site will be the base for new business engagement initiatives from the University of Sussex.

Skills Capital – City College Brighton and Hove

3.23 Detailed design work for the new Construction Trades Centre is due to commence in Spring 2015, allowing for a start on site in late Summer 2015.

3.24 The project will consolidate all Construction trades from the current three sites into one bespoke new purpose built centre.

Brighton Valley Gardens – Phases 1 and 2

3.25 In February 2015, the Coast to Capital Enterprise Partnership confirmed a Government grant of £8m for improvements in the area.

3.26 In March 2015, Brighton & Hove City Council's Environment, Transport and Sustainability Committee agreed that design work should continue on the project. This work will enable the project to be developed to the point where construction can begin, pending an additional further approval from Committee.

A2300 Corridor Improvements – Burgess Hill

3.27 Government has confirmed £17m Local Growth Fund funding to deliver improvements to the A2300 road corridor. The dualling of this important road link between the A23 strategic route and Burgess Hill is vital to facilitate major housing and employment developments. These developments will create approximately 5,000 new jobs, 5,000 new homes and 200,000 square metres of employment floorspace in and around the town.

3.28 West Sussex County Council and Mid Sussex District Council are now working together to develop the business case for the A2300 scheme.

Transport Packages

3.29 On 25 March 2015, the Local Transport Body appraised the following schemes for the City Region:

3.29.1 Transport Resilience Bids:

- Brighton & Hove City Council's Intelligent Transport Systems (ITS) Package (£1.83m of Local Growth Fund funding for variable messaging and technologies to improve travel for road users).

3.29.2 Transport Sustainability Bids:

- Worthing Sustainable Transport Package (£800,000 of Local Growth Fund funding).

- Brighton Bike Hire (£1.6m of Local Growth Fund funding for a shared bike scheme that will see 430 bikes available from 50 docking stations serving the City from the Marina to Portslade and along the Lewes Road to the Universities). Conditional approval was granted, subject to the scheme sponsor providing reassurance in writing to the Local Transport Body that any shortfall in running costs of the Scheme will be underwritten for at least the first period of the procurement of the scheme (that period to be not less than three years).

3.30 Brighton & Hove City Council has received £9m funding from the Department for Transport's Highways Maintenance Challenge Fund for the reconstruction of the former West Street Shelter Hall, part of both Brighton seafront's historic arches and the structure of the A259.

Business Finance

3.31 The RGF Business Grants Programme is now closed. The Programme has offered Wave 2 RGF Business Growth grants to 21 companies across the City Region, totalling over £1,000,000 and with private match funding totalling £5,592,681. This will realise 204 planned jobs before April 2017 (against an original jobs target for grants of 65).

3.32 The total grants claim paid to date is £324,632 with the balance to be claimed and paid by 30 June 2015.

3.33 Other business support elements of the RGF programme are on-track to deliver by end June 2015. This includes the Business Navigator signposting service that is run by the C2C LEP and the Business Support 'Toolkit', which is delivered by the Universities of Brighton, Chichester and Sussex, Wired Sussex and Sussex Innovation Centre. Jobs and other outputs for these support programmes are on target, according to the profile agreed with Lancaster University.

3.34 Lewes District Council's (LDC) LEAP and BHCC's Ride the Wave programmes continue to deliver public match funding outputs according to the agreed profile.

3.35 93.5 jobs have been created from the whole programme to date, against a programme target of 400. Of these, 25.5 jobs have been created from the grant funding programme (against the original target of 65) and 68 jobs from the Business Growth Toolkit programmes.

Local Growth Fund

3.36 On 23 March 2015, the Business Minister Matthew Hancock signed the Coast to Capital Growth Deal at Ricardo Ltd in Shoreham. The Deal will bring nearly £240m of Government investment to Brighton and Hove, Croydon, the Gatwick Diamond, Lewes and West Sussex. Over the lifetime of its Deal (2015-2021), the Coast to Capital Local Enterprise Partnership estimates that up to 21,000 new jobs could be created, 9,000 new homes built, and that it has the potential to generate £390m public and private investment.

3.37 The Coast to Capital Local Enterprise Partnership will release all Delivery Body Agreements imminently. In preparation, all delivery bodies are in the process of compiling the documentation needed to satisfy the grant agreements. Any

further delays in releasing and agreeing the Delivery Body Agreements may begin to impact upon the projects' delivery timescales.

- 3.38 On 26 March 2015, the Coast to Capital Local Enterprise Partnership received a letter from the Department for Communities & Local Government to advise that the proposed profiles for Local Growth Fund funding for 2016/17 to 2020/21 has been changed – a change that is being applied to all Local Enterprise Partnership Growth Deals. There is less funding at the front of the programme and more towards the end. The overall totals across all years remain the same and funding for 2015/16 is unaffected. At the time of writing, it is anticipated that all Greater Brighton City Region projects will be protected with the exception of the Shoreham Western Harbour Arm Flood Defences and Brighton Valley Gardens Phase 3 projects and Adur & Worthing Councils and Brighton & Hove City Council are therefore in the process of developing and agreeing new profiles for these projects with the Coast to Capital Local Enterprise Partnership. This position is, however, subject to change as it is dependent on the Coast to Capital Local Enterprise Partnership completing negotiations across the whole of its area.
- 3.39 The timetable for the next round of the Local Growth Fund is still to be set by Government. It is anticipated that the first calls will be issued after the general election but Greater Brighton partners are encouraged to firm-up their business cases now to enable the City Region to respond swiftly to any announcements.

LGC Awards 2015

- 3.40 On 11 March 2015, the Greater Brighton Investment Programme won the LGC Award for 'Driving Growth'. The judging panel commended that:

“The combination of clear measurable ambition and tangible projects shows that this impressive programme is working. Creating a new city region is very ambitious. Bringing six very different councils, some of which would not previously identify themselves as part of a Greater Brighton, shows that it can be achieved. Putting universities and businesses at the center of the programme shows that skills and innovation are central to its success.”

City Deal Stocktake 2015

- 3.41 The Greater Brighton City Deal Stocktake took place on 17 March 2015. The Cabinet Office is satisfied that good progress is being made across the City Region.

European Structural and Investment Funds

- 3.42 Government officially launched the Programme on 23 March 2015. The first Call under the European Regional Development Fund will be issued shortly and will focus on support for the Creative, Digital and IT (CDIT) sector through promoting Higher Education Institution and Small and Medium Sized Enterprises collaborative research, innovation and commercialisation. The Coast to Capital Local Enterprise Partnership European Structural and Investment Funds Update attached in Appendix 3 provides further detail on the Programme and the associated processes.

Commissioned Work

- 3.43 Nathaniel Lichfield and Partners have prepared a set of Background Papers on the Greater Brighton and Coastal West Sussex economy, housing and transport. The papers will be presented to the Board on 21 April 2015, for which they will be joined by members of the Coastal West Sussex Board and the Greater Brighton and Coastal West Sussex Strategic Planning Board.
- 3.44 The tender for the Next Steps for the City Region Economy work has been finalised and the procurement process has begun. The work will focus on developing the City Region's long-term economic priorities and goals and the associated policy proposals for a coherent and sensible devolution proposition to support delivery of these goals. The work will also assess and recommend options for the most effective delivery model for the services relating to the City Region's economic growth, to ensure that the Greater Brighton partners have the continued capacity to deliver. This work will be reported to the Board after the general election.

4. TASKS TO BE COMPLETED IN THE NEXT PERIOD

4.1 The next period will be focused on:

- Putting in place the necessary operational arrangements for the running of the Board in 2015/16. A report on this is featured elsewhere on the agenda.
- Agreeing the Delivery Body Agreements with the Coast to Capital Local Enterprise Partnership and undertaking the necessary re-profiling work.
- Working with the Coast to Capital Local Enterprise Partnership to finalise and roll-out clear monitoring and reporting processes for City Deal and Local Growth Fund projects.
- Working with partners to continue to develop the pipeline of projects for the next round of the Local Growth Fund.
- Working with partners to continue to develop the pipeline of projects in preparation for the Calls on European Structural and Investment Funds funding.
- Appointing and supporting the consultant team to complete the work on the Next Steps for the City Region Economy.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 This report is for information and noting only. The report provides updates on the progress of a number of projects each with varying sources of funding and with the delivery of different financial impacts to the City Region. The financial implications relating to each of the projects in the Programme will have been and will continue to be considered at appropriate stages by the respective lead bodies and will be subject to individual business cases that consider these financial implications and risks associated with each project.

*Finance Officer Consulted: Rob Allen, Principal Accountant, BHCC
Date: 31 March 2015*

Legal Implications:

- 5.2 This report is for information and noting only. The legal implications relating to each of the projects in the programme will have been and will continue to be considered at appropriate stages by the respective lead bodies.

Lawyer Consulted: Bob Bruce, Deputy Head of Law BHCC

Date: 31 March 2015

Equalities Implications:

- 5.3 None. As the business cases for individual projects are developed, lead partners will be asked to develop an Equality Impact Assessment for their projects as appropriate.

Sustainability Implications:

- 5.4 None

Any Other Significant Implications:

- 5.5 None

SUPPORTING DOCUMENTATION

Appendices:

Appendix 1: Greater Brighton Investment Programme Dashboard (10 March 2015)

Appendix 2: Greater Brighton Investment Programme Reporting Book (10 March 2015)

Appendix 3: European Structural and Investment Funds Update (23 March 2015)

Background Documents

None