

Subject:	Update on Greater Brighton Investment Programme		
Date of Meeting:	26 January 2015		
Report of:	Chair, Greater Brighton Officer Programme Board		
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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 September 2015 to 16 December 2015.

2. RECOMMENDATIONS:

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

3. PROGRAMME HIGHLIGHTS:**Schedule Status**

- 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 status.
- 3.2 Projects within the Programme continue to make steady progress. However, there are continued delays in finalising the Funding Agreements ('Agreements') for all Local Growth Fund (LGF) projects. At the time of writing, just the Construction Trades Centre (City College Brighton and Hove (CCBH)) and the Advanced Engineering Centre (University of Brighton (UoB)) projects had Agreements in place.
- 3.3 The Coast to Capital Local Enterprise Partnership (C2C LEP) and the Accountable Body (West Sussex County Council (WSSCC)) have given assurance that they are making every effort to catch-up and that Agreements are moving forward; both have taken on extra resources to help with this. To aid the process, all delivery bodies are asked to provide any outstanding documentation that is required to satisfy the Agreements to the C2C LEP as quickly as possible.
- 3.4 To minimise the impact on delivery, the C2C LEP and Accountable Body have prioritised completion of the Agreements to reflect spend profiles. In the

absence of an Agreement, delivery bodies can spend at their own risk. Once Agreements are in place, claims can be submitted mid-quarter.

- 3.5 The ability to draw down LGF funding is now becoming critical for the delivery of the Circus Street Innovation Growth Centre & Regeneration project. Other projects within the Programme are currently managing and/or are largely unaffected by the delays. Indeed, many are utilising the available funding flexibilities to ensure that 100% of the 2015/16 allocation is spent.
- 3.6 It should be noted that Agreements are also in place for each of the City Region's Learning Facilities Fund projects; CCBH (£250,000), Northbrook College (£200,000), Plumpton College (£200,000), Sussex Downs College (£100,000) and Worthing College (£99,960) to fund refurbishments and improvements to the colleges' existing assets and facilities to reduce the estate E-mandate condition. 100% of these grants must be spent in 2015/16 and all are progressing well.

New England House Growth Centre

- 3.7 Redevelopment and investment options have been explored with potential joint venture partners. A report was presented to Brighton & Hove City Council's (BHCC) Policy & Resources Committee on 03 December 2015 and agreement was given to work with Arcus PCD towards a land deal that would provide an integrated employment-led mixed use development across both the New England House site and the adjacent Longley Industrial Estate, on which the council is a freeholder.

Digital Catapult Centre Brighton

- 3.8 The Centre has commenced delivery of initial engagement activities, using the FuseBox at New England House as a temporary space; a number of information sessions, workshops, hacks and lectures have been held with the universities, SMEs, large corporations and other stakeholders.
- 3.9 Five start-up companies are currently resident at the Centre. Discussions regarding the capital works required for the Centre's permanent site, in the unit adjacent to the FuseBox, continue between BHCC, the C2C LEP and the Catapult Consortium. It is hoped that the lease be agreed shortly, to enable both the Memorandum of Understanding and Agreement to be signed and, therefore, the capital works to begin.

Superconnected Cities Programme – Broadband Voucher Scheme

- 3.10 Government's Broadband Connection Voucher Scheme is now closed. The Greater Brighton Scheme has offered a total of 1,115 vouchers; 827 businesses are already connected and 288 businesses are yet to have their broadband installed to claim their voucher. The deadline for vouchers offered in 2014/15 is 31 December 2015 and in 2015/16 is 30 March 2016.

Advanced Engineering Centre

- 3.11 The planning application was approved by BHCC's Planning Committee on the 16 September 2015 and the S106 Agreement with BHCC has now been signed.

The University of Brighton has appointed contractors through a full two stage tendering process and now anticipates that work will start on site in December 2015. The tender process for the main construction contract has been prolonged as a consequence of the challenging UK construction market. High tender prices have required the project to be value engineered to remain within budget – this has resulted in a delayed commencement. An accelerated construction period has been agreed with the contractor, in order that no significant slippage arises in the planned opening date.

Sussex Innovation Brighton (Block J)

- 3.12 Construction of the new facility on Block J at Brighton Station continues and is expected to complete by May 2016. Initial construction has focused on the hotel development; the construction of the main floors of the Innovation Centre will commence in the New Year. Sussex Innovation and the University of Sussex (UoS) are now engaged with the developer in finalising the detailed floor plans and fit-out. The new Centre is already attracting interest from innovative business in need of the next stage of growth space at the prime location.
- 3.13 This new development will form part of a new network of Centres, including a Centre in Croydon that opened in October 2015 and the planned Bio-Innovation Centre on the UoS's Falmer campus. As well as providing additional flexible office locations, the network allows the Sussex Innovations support team to work with more companies along the A23/M23 Growth Corridor and for Sussex Innovation's Member companies to make use of the different locations and facilities.

Circus Street Innovation Growth Centre and Regeneration

- 3.14 Brighton & Hove City Council continues to work with its development partner to finalise the details of the Development Agreement and to ensure that the necessary funding mechanisms are in place for the development to go ahead.
- 3.15 Phased demolition commenced in September 2015 and construction is scheduled to begin in early 2016.

Preston Barracks Central Research Laboratory

- 3.16 The planning stage of the project has commenced; the master plan for the whole site and the design of the Centre Research Laboratory (CRL) are now being developed. It is hoped that the necessary planning permission will be secured and that the tender for the build programme will be awarded in 2016/17. It is anticipated that the CRL building works start on-site in Spring 2017/18 and complete in Winter 2017/18.
- 3.17 A pilot project, which will be launched in the New Year, will see 5-10 businesses moving into the temporary workspaces provided on-site. It will also include wider engagement activities with the start-up business community in Brighton & Hove.

City College Brighton and Hove – Construction Trades Centre

- 3.18 The City College East project is progressing well; demolition and enabling works commenced in November 2015. Construction of the new Centre will take place from February 2016 and complete in March 2017, with occupation beginning in April/May 2017.
- 3.19 Bricklaying will now be included as part of the curriculum delivered at the Centre.

Newhaven Growth Quarter

- 3.20 Construction of the £2.5m Newhaven Growth Quarter Scheme on Denton Island in Newhaven continues and is due for completion by April 2016.
- 3.21 As part of the Spending Review 2015, the Chancellor confirmed the creation of an Enterprise Zone in Newhaven. Starting in April 2017, eight key strategic sites will benefit from Enterprise Zone designation with the aim of unlocking these for high value development, new investment and supporting the expansion of existing businesses. The Enterprise Zone will create and sustain at least 2,000 new full time jobs and deliver up to 55,000sqm of commercial floor space.

Newhaven Flood Alleviation Scheme

- 3.22 On 11 November 2015, the Environment Agency (EA) Large Project Review Group recommended the Project Appraisal Report (PAR) for approval. To complete this phase, the PAR requires the approval of the EA Executive Director of Operations. This is expected in December 2015.
- 3.23 The EA held two small exhibitions on 27 and 30 November 2015, to show the public the selected options.
- 3.24 The tender pack for the detailed design and construction phase of work was issued to suppliers on 13 November 2016 and a site visit held on 18 November 2015. Proposals will be submitted in January 2016 and the contract awarded in April/May 2016.

Newhaven Port Access Road

- 3.25 The first phase of the Port Access Road (A259 to Pargut roundabout), which is being constructed as part of the Eastside development, is nearing completion.
- 3.26 The development of a business case for the second phase of the Port Access Road (from Pargut roundabout to Mill Creek) is underway. As a retained scheme, discussion is ongoing with the Department for Transport (DfT) to agree the required scope of the business case. Dependent on the outcome of these discussions, it is hoped to formally submit the business case in Spring 2016.

Shoreham Flood Defences – Adur Tidal Walls

- 3.27 The competitive tender for construction contract was released during September 2015. In addition, the Planning Application for the scheme was

submitted in November 2015. It is anticipated that planning permission be received in March 2016. Award of the construction contract for the scheme will follow receipt of planning permission.

- 3.28 It is anticipated that works on-site will commence in March/April 2016. This is likely to be a combination of site preparation and mobilisation of the construction site. Due to delays in tendering the construction phase and in ordering and delivery of the necessary steel, discussions regarding the reprofiling of LGF spend are currently underway between the EA and C2C LEP.

Shoreham Flood Defences – Western Harbour Arm

- 3.29 The technical options appraisal for the appropriate flood defence scheme at the Sussex Yacht Club was completed at the end of November 2015. This work highlighted that the preferred option of building the flood defence along the back edge of a new footpath/cyclepath along the A259 was the cheapest and easiest solution. The three options appraised were considered by the Shoreham Harbour Project Board and the Shoreham Harbour Leaders Board on the 02 and 08 December 2015 respectively and it was agreed to pursue the preferred option.
- 3.30 The preferred option requires the relocation of the existing Yacht Club. Further work to identify the cost of the new clubhouse and to pursue the purchase of the land for the footpath/cyclepath and flood defence is to be undertaken.
- 3.31 The complexities involved with the implementation of the flood defence solution at the Yacht Club means that work will now proceed at Kingston Beach during 2016/17, whilst planning and negotiations regarding the purchase of land at the Yacht Club continue. The revised timeline for the project is as follows:
- February/March 2016: tender for design and build contract for Kingston Beach scheme
 - June 2016: start on site at Kingston Beach
 - July 2016: planning application for works at Sussex Yacht Club
 - October 2016: works completed at Kingston Beach
 - October/November 2016: design and build tender for Sussex Yacht Club works
 - March/April 2017: start onsite at Sussex Yacht Club
 - October/November 2017: works completed at Sussex Yacht Club

Burgess Hill Growth Location

- 3.32 Significant recent progress has been made on development projects across Burgess Hill. New River Retail has submitted a planning application for a £65m scheme to redevelop Burgess Hill town centre. The proposal would revitalise the centre, providing new retail, leisure and community facilities, a ten screen cinema, a hotel, food/drink outlets and new residential accommodation. The District Council aims to determine the application in early 2016. Development would commence in mid-2017, with completion by 2021.
- 3.33 Pre-application discussions are progressing with the three Northern Arc developers. Key areas for current discussion include infrastructure delivery and

housing density/numbers. Mid Sussex District Council (MSDC) has engaged a range of specialists to support this work and are working closely with the Homes and Communities Agency (HCA) to bring this opportunity forward and support may be sought from the C2C LEP. Planning applications are anticipated early in the New Year.

- 3.34 Following completion of a Section 106 agreement securing transport contributions, outline planning permission has been granted for The Hub business park (50,000 square metres) to the west of the town. Glenbeigh, the developer, is now preparing a detailed application for the first employment unit. Development is already well underway at two other sites (Keymer Tile Works and Kings Way), which will deliver 1,000 new houses. The first homes are due for occupation in February 2016.
- 3.35 A wide variety of public sector partners, including the HCA, are working together on proposals to redevelop The Brow area of the town centre. This project would create a modern community hub offering a range of public services, redevelop an existing GP surgery and allow other services to pursue their aspirations for enhanced service provision. The scheme will also create an opportunity for further extensive new town centre residential accommodation.
- 3.36 Consultants appointed by West Sussex County Council (WSSCC) and MSDC are continuing a study to develop and refine the Science and Technology Park proposals. This work will refine key economic sectors that could make the park successful and enable discussions with potential investors and developers to commence. The final report is due in Spring 2016. This proposal will potentially trigger a future LGF bid.
- 3.37 On the transport front, WSSCC's consultants, Aecom, are undertaking work linked to all development across Burgess Hill. The outcome will be an integrated solution of measures for Burgess Hill as a whole. Aecom are developing a Public Transport strategy for the town, which includes a package of sustainable transport measures aimed at linking development with existing and proposed public transport hubs and the town centre. This will include delivery aligned to housing trajectories and provide attractive and frequent services across Burgess Hill to integrate with the proposed employment hub and Science and Technology Park to the west of the town and the town centre itself.
- 3.38 Aecom are also developing a prioritised highways and transport Infrastructure and Investment Plan that is capable of supporting the Town Wide Strategy objectives for growth within the town and, in particular, supports and enhances accessibility routes between the new developments and the town centre. This will include a timeline for the delivery of infrastructure, the benefits and mitigation for the impact of the development and managing the modes and routes of traffic. Again this work may trigger a future LGF bid.

A2300 Corridor Improvements – Burgess Hill

- 3.39 The A2300 improvement scheme, which has LGF funding, will support economic growth through enabling the delivery of strategic housing and

employment development at Burgess Hill. The funding profile has been aligned with the development profile currently being proposed by developers. This profile is currently indicative as the business case has not yet been agreed – a transport model to support the business case is currently being developed and is due to be completed in May 2016, at which point the model will be available for use in assessing the economic benefits of the A2300 in support of the business case to be submitted to Local Transport Body. As this is a DfT retained scheme, the revised funding profile will also be communicated to DfT. The current programme indicates a start in construction in early 2021, with completion in Spring 2022.

Brighton Valley Gardens – Phases 1 and 2

- 3.1 Due to the recent changes to the traffic network in the area – such as Lewes Road, Brighton Station Gateway and Edward Street – the proposed Scheme is currently being re-modelled against 2015 traffic data. This will ensure that the improvements provide optimal benefits, before the scheme is progressed to construction. The process is due to be completed by mid-February 2016.

Brighton Bike Share

- 3.40 On 24 November 2015, BHCC's Environment, Transport & Sustainability Committee gave permission for the project to move to procurement and award and the project specification is now under development. It is anticipated that the tender be released in early 2016 and that the contract be awarded in late Spring 2016.
- 3.41 On 26 November 2015, C2C LEP's Local Transport Body (LTB) agreed the full LGF funding, being satisfied that BHCC had met all of the conditions (that the contract be let on the basis that the operator meets any revenue shortfall).

Brighton & Hove Intelligent Transport Systems (ITS) Package

- 3.42 The aim of the Package is to safely and sustainably improve the movement of people and vehicles to/from and around the city of Brighton & Hove, especially along its main transport corridors. It will use technologically advanced equipment, infrastructure and software to better monitor, manage and improve what is happening on the city's road network.
- 3.43 The C2C LEP's LTB fully approved the funding bid in May 2015 and work is now underway to deliver a programme of schemes that will meet the Package's objectives in the most efficient way, by aiming to maximise the outputs that will be delivered through the investment whilst minimising disruption on the network when/if other work is planned. The initial investment during 2015/16 has been made to sites on the busy A259 seafront corridor, in order to secure some cumulative benefits at an early stage.

Montague Place, Phase 1 Worthing Sustainable Transport Package

- 3.44 Detailed design is now complete. Procurement, through WSCC's Major Projects Framework, is progressing; a preferred bidder has been identified and

contract award is expected in early January 2016. Construction is expected to begin on 11 January 2016.

Development of the Greater Brighton Website

3.45 The Greater Brighton Website is currently under development. The purpose of the Website is to provide a single point of access to information, reports and news on Greater Brighton, thereby increasing transparency and broadening communications about the Board and its work. The aim is to launch the website in February 2016.

4. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

4.1 This report provides updates on the progress of a number of projects each with individual sources of funding from both the government and various partners. Each project will be subject to individual business cases that consider the financial benefits and risks associated with the project. The financial implications relating to each of the projects in the programme have been reported individually at various stages and considered by their lead bodies and further updates will be provided to the Board throughout the year.

Progress continues to be made to ensure all Funding Agreements are in place for the Local Growth Fund projects. Funding Agreements are in place for a number of projects as detailed in paragraph 3.6 and it is expected that 100% of the grant will be spent in 2015/16 for these schemes. The Coast to Capital Local Enterprise Partnership (C2C LEP) and the Accountable Body (West Sussex County Council (WSSCC)) are prioritising the Agreements which have a spend profile in this financial year. In some cases funding flexibilities have been agreed to enable funding switches between projects which will ensure that 100% of the grant for 2015/16 allocation is spent in the current financial year.

Finance Officer Consulted: Rob Allen, Principal Accountant *Date:05.01.16*

Legal Implications:

4.2 Each of the projects in the Programme will be subject to individual Funding Agreements between West Sussex County Council as the Accountable Body, Coast to Capital Limited and the Delivery Body. In some case it may be necessary for the delivery Body to enter into a further agreement if the funding is ultimately drawn down by a third party. State Aid issues need to be reviewed on a project by project basis.

Lawyer Consulted: Bob Bruce, Deputy Head of Law BHCC *Date: 23.12.2015*

Equalities Implications:

4.3 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:

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

Any Other Significant Implications:

- 4.5 None

SUPPORTING DOCUMENTATION

Appendices:

Appendix 1: Greater Brighton Investment Programme Dashboard (14 December 2015)

Appendix 2: Greater Brighton Investment Programme Reporting Book (14 December 2015)

Background Documents

None

