

Subject:	Update on Seafront Infrastructure Scrutiny Panel Recommendations		
Date of Meeting:	23 March 2016		
Report of:	Acting Executive Director Environment, Development & Housing		
Contact Officer:	Name:	Ian Shurrock Nick Hibberd	Tel: 29-2084
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Ward(s) affected:	All		

FOR GENERAL RELEASE**1. PURPOSE OF REPORT AND POLICY CONTEXT**

- 1.1 The report of the Seafront Infrastructure Scrutiny Panel was endorsed by the Overview & Scrutiny Committee on 20th October 2014. The response to the Seafront Infrastructure Panel recommendations was approved by Policy & Resources Committee on 22nd January 2015. This report provides an update on the progress made towards meeting those recommendations.
- 1.2 The council's Executive Leadership Team (ELT) had recognised that the heritage structures and infrastructure managed by the council along the seafront require significant investment at a time of a very challenging financial climate. Key issues include the condition of the seafront arches which house many businesses and provide structural support to the A259, and the Madeira Terraces which need extensive renovation. Maintaining seafront infrastructure is currently one of the highest priority issues on the Strategic Risk Register. ELT therefore requested Overview & Scrutiny to consider the issue.
- 1.3 However, maintenance and renovation requires considerable resources, and the council needs to investigate how to fund any renewal programme. The cost of structural works needed for the seafront is estimated to be in the region of £100 million. In addition, the prioritisation of available resources would be necessary to best support the aspirations of the draft Seafront Strategy.

2. RECOMMENDATIONS:

- 2.1 That the committee notes the updates to the recommendations of the Seafront Infrastructure Scrutiny Panel as listed in Appendix 1.

- 2.2 That the committee notes a further report will be considered by the Policy & Resources Committee in June 2016 to consider the key challenges faced by a seafront investment programme and identify potential solutions and resources to meet the challenges.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The seafront is of considerable importance to the city as a much visited recreational resource by both residents and visitors alike. The seafront plays a major part in the tourism offer of the city and therefore contributes significantly to the visitor economy of the city, which is valued at £830 million per year and supports approximately 22,000 jobs (16,000 full time equivalents). Therefore, it is essential that the seafront is well maintained and managed to not only reduce the health and safety risks but also as a very attractive place to visit.
- 3.1 The initial focus of the Scrutiny Panel was to consider the renovation and rebuilding of structures on the seafront. However, the range of evidence that was presented led the panel to widen the remit and look at how the seafront could work towards generating more income, which could be used to fund structural works.
- 3.2 The panel were acutely aware of the financial climate that is facing the council and hence the focus on looking for the seafront to be as self-sustaining as possible. The Chair highlights that the panel wanted “the seafront to retain its unique offer but we have to make the most of every opportunity to raise income while ensuring that the income the seafront generates is used as efficiently as possible to sustain its future”.
- 3.3 The panel acknowledged that the seafront is complex, which was reflected by the wide range of officers and stakeholders that gave evidence. The one key message that the panel gave is for the council to consider the way the seafront is managed to meet the challenges that are faced. In particular, with reference to the need to renovate structures on a substantial scale, the panel recommends that the council manages the seafront as a single, coherent programme – strategically, financially and operationally.
- 3.5 The complexity and scope of the seafront led the panel to define eight key outcomes. The recommendations in appendix 1 are a response to achieving these outcomes. Some outcomes have a single recommendation while others are addressed by several recommendations (pages 18-23 of the report of the Scrutiny Panel). The outcomes identified are:
- The council has a collective understanding of the seafront’s needs and opportunities and who is responsible for it.
 - A seafront which is working towards being financially self-sustaining.
 - Everyone is working together to develop the seafront.
 - The seafront is no longer seen as a major risk.

- An accessible and connected seafront.
 - The council is in the best possible position to develop robust and successful bids for funding when opportunities arise to enable projects on the seafront to succeed.
 - A seafront which offers the best possible experience for visitors, residents and businesses.
 - A greater understanding and appreciation of the seafront and its history.
- 3.6 The recommendations that seek to achieve these outcomes are in appendix 1 together with the responses to the recommendations, and the subsequent update on the progress made for this Scrutiny update.
- 3.7 A Seafront Investment Programme has been established (see report to Policy & Resources on 19th March 2015 – “Seafront Investment Programme – Governance Arrangements”) to respond to the recommendations of the Seafront Infrastructure Scrutiny Panel report with the following objectives:
- Developing a co-ordinated programme of investment that brings together public, private, government, and business expertise to maximise delivery
 - Creating the conditions that the City’s seafront investment is a destination of choice, with all parts of the seafront fulfilling its potential.
 - Ensuring that the City is in a position to unlock seafront development sites, and exploit its assets through identifying all funding opportunities and taking a more commercial investment approach – including the exploration of new models of investment and service delivery.
 - Identifying and prioritising a medium term pipeline of investment opportunities which are attractive to investors and developers which drive investment in priority areas.
 - Overseeing the co-ordination of improvements to infrastructure along the seafront, including transport infrastructure, flood defences and broadband connectivity, whilst protecting heritage assets.
 - Supporting the development of our visitor and tourist economy in relation to the seafront.
 - Developing and overseeing a communication and engagement strategy in relation to the seafront.
- 3.8 As the delivery of the co-ordinated programme progresses and the new Seafront Investment Plan is developed, it is anticipated that there will be opportunities to consider new models of investment. The draft Seafront Investment Plan will be presented to Policy & Resources Committee in June 2016 and will aim to consider a number of investment and delivery options for the future sustainability of the City’s seafront.

3.9 The council has commissioned specialist support jointly from Mott MacDonald and Grant Thornton for an options appraisal of potential new investment models. Research has been undertaken into a range of areas in relation to the seafront over recent months to inform the development of a Seafront Investment Plan including:

- Evidence review of current strategy documents, as well as background documents of key development sites
- Economic impact analysis of key development opportunities
- Review of the commercial portfolio review
- Option prioritisation framework – developing a draft prioritisation framework to evaluate the potential of different development projects
- Review of the most appropriate funding mechanisms and delivery models for the specific priorities identified for the seafront by an evidence review and engagement process (see 5.2)

3.10 Significant investment in seafront infrastructure is currently taking place. This includes the following projects:

- **Renewal of Seafront Arches and A259 Infrastructure:** The award winning scheme to reinforce the A259 and restore the historic fishermen’s arches either side of the i360. The arches support the A259 trunk road above. The second phase of restoration of 33 arches east of the i360 is currently taking place and they are due to open in the summer.
- **Redevelopment of the former Shelter Hall:** The works will allow this busy A259 junction to help people move and traffic flow more smoothly. The rebuilt hall will provide a new flagship commercial business location.
- **i360:** The viewing pod for the tower which will provide views from 450ft has recently been completed. The attraction is scheduled to be completed in the summer.
- **King Alfred Redevelopment:** On 21st January 2016, the Policy & Resources Committee approved Crest Nicholson in partnership with the Starr Trust as the preferred bidder. The proposed £200m redevelopment of the King Alfred site includes a new public sports centre valued at around £40m which is primarily funded by 560 flats – 20% of which will be affordable homes.
- **Peter Pan Site:** The Policy & Resources Committee in June will consider granting a lease for the open water swimming centre proposal called “Sea Laine” on the site.
- **Volks Railway:** The £2m project (with £1.6m HLF funding) is scheduled to start in September to provide a new conservation workshop and train storage facility, with a new Aquarium Station including visitor centre, function room and café.

- **Dalton's Bastion site, Madeira Drive.** The Economic Development & Culture Committee agreed on 10 March 2016 to grant Landlord's consent for the development of a new zip wire attraction and café on the Dalton's Bastion site on Madeira Drive.
- **Madeira Terraces:** An investment plan is currently being developed to identify feasible options to improve Madeira Drive from the Palace Pier to the Black Rock site including the currently closed Madeira Terraces.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 The council has commissioned specialist support jointly from Mott MacDonald and Grant Thornton for an options appraisal of potential new investment models. The draft Seafront Investment Plan will consider such options.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 The Seafront Infrastructure Scrutiny panel interviewed thirty witnesses during panel meetings of which sixteen were external to the council. The panel also held a drop in session for those who wished to give their views to the panel on the seafront and over fifty people attended. A consultation workshop was also held with the Brighton & Hove Tourism Advisory Board in which panel members were provided feedback on the seafront.
- 5.2 Mott MacDonald / Grant Thornton have consulted with stakeholders from both the public and private sector community on key seafront developments. In addition, an online survey setting out the emerging priorities from the evidence review and seeking evidence on ranking these priorities was distributed to over 100 seafront businesses. Further consultation workshops will take place on the draft Seafront Investment Plan

6. CONCLUSION

- 6.1 The seafront is of significant strategic importance to the city. Therefore, it is essential that the seafront is maintained and developed to ensure that the city benefits fully from this primary asset.
- 6.2 The establishment of a Seafront Investment Programme Board and the development of a Seafront Investment Plan will enable investment into the Seafront to be prioritised and the limited resources available to be used effectively.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The recommendations of this report do not directly create financial implications or commitments, however, Appendix 1 details a commitment to bring forward an update of the draft Seafront Investment Plan to Policy & Resources Committee by June 2016. This report will include an update on the funding options to address the requirements of the seafront investment programme.
- 7.2 Specialist advisors Mott Macdonald and Grant Thornton have been appointed to assist with the Seafront Investment Plan and the cost of these appointments have been met from existing budgets and external funding.
- 7.3 A number of seafront related projects have commenced as detailed in paragraph 3.10 above. These have been included within the Council's Capital Investment Programme and have been presented to previous Policy & Resources Committees for approval.

Finance Officer Consulted: Rob Allen

Date: 08/03/16

Legal Implications:

- 7.4 There are no direct legal implications arising from this report.

Lawyer Consulted:

Name Hilary Woodward

Date: 25/2/16

Equalities Implications:

- 7.5 A key outcome identified by the Scrutiny Panel is to provide an accessible and connected seafront. A well maintained and attractive seafront would enhance accessibility to the wider public.

Sustainability Implications:

- 7.6 The sustainability of the Seafront was the focus of the Scrutiny Panel report. While the sustainability of the physical infrastructure was the initial remit, the broader sustainability of the Seafront from other perspectives e.g economic is being considered in the development of a Seafront Investment Plan.

Any Other Significant Implications:

- 7.7 No other significant implications.

SUPPORTING DOCUMENTATION

Appendices:

1. Update on Seafront Infrastructure Scrutiny Panel recommendations and responses.

Documents in Members' Rooms

1. None

Background Documents

1. Report to Policy & Resources on 19th March 2015 – “Seafront Investment Programme – Governance Arrangements”
2. Report to Policy & Resources on 22nd January 2015 – “Response to the Seafront Infrastructure Panel Recommendations”.
3. Report of the Overview and Scrutiny Panel on Seafront Infrastructure – October 2014

