

GREATER BRIGHTON ECONOMIC BOARD

10.00am 31 JANUARY 2017

RICARDO CENTENARY INNOVATION CENTRE, SHOREHAM-BY-SEA, WEST SUSSEX,
BN43 5FG

MINUTES

Present: Councillor Humphreys (Chair), Councillor Morgan, Councillor Parkin, Councillor Smith, Councillor Wall and Councillor Wealls

Business Partners: Prof. M Davies, Peter Davies, Prof. Humphris, Nick Juba, Dean Orgill, John A. Peel and Andrew Swayne

PART ONE

20 PROCEDURAL BUSINESS

20a Declarations of substitutes

20.1 Councillor Wealls was present as substitute for Councillor Theobald.

20b Declarations of interests

20.2 There were none.

20c Exclusion of the press and public

20.3 In accordance with Section 100A of the Local Government Act 1972 (“the Act”), the Board considered whether the public should be excluded from the meeting during consideration of any item of business on the grounds that it is likely in view of the business to be transacted or the nature of the proceedings, that if members of the public were present during it, there would be disclosure to them of confidential information as defined in Section 100A (3) of the Act.

20.4 **RESOLVED-** That the press and public be excluded from the meeting during consideration of the items contained in Part Two of the agenda.

21 MINUTES OF THE PREVIOUS MEETING

21.1 **RESOLVED-** That the minutes of the previous meeting held on 18 October 2016 be approved and signed as the correct record.

22 CHAIR'S COMMUNICATIONS

22.1 The Chair provided the following Communications:

“This will be Peter Davies’ last meeting and, on behalf of the Board, I’d like to thank Peter for his invaluable contribution over the past 2 years. Peter is retiring at the end of March and I understand that Peter Webb may be joining the Board as the Coastal West Sussex Partnership’s representative. Peter is here today as an observer and so welcome Peter.

I want to take a moment to talk about the ongoing dispute between GTR/Southern and the ASLEF and RMT trades unions. Our devolution bid emphasises the need for an efficient and reliable transport network to grow our economy and boost productivity. Central to this is investment in the Brighton Main Line, to increase capacity and reliability in the long-term. We welcome the £20m fund and new Project Board that Chris Grayling MP – Secretary of State for Transport – recently created to introduce a package of quick win improvements on the line. However, we need Government to go further and to recognise the importance of this critical line when setting its priorities for investment in the national rail network. Performance has been particularly compromised in recent months, as a result of the ongoing dispute – now the longest running in over two decades. This is having a harming effect on our residents’ wellbeing and livelihoods, on our businesses and on investor confidence. I am delighted that fresh talks are underway and that a full service has recently been resumed. However, on behalf of the Board, I am intending to write to the Secretary of State after this meeting, to urge him to intervene and for Government to do all that it can to ensure that these talks are meaningful and that the relevant parties work together to resolve the dispute and move forward.

I’d also like to welcome Cath Goodall, our new Area Lead from the Cities and Local Growth Unit (seated next to Lynda Dine). Cath has replaced Phillip Carr, who has taken a promotion heading up the Ministerial Private Office Team in BEIS. On behalf of the Board, I’d like to thank Philip for his input and support. Before taking this role, Cath was the Area Lead for SELEP and we very much look forward to working with her on our growth agenda.

I’d like just to highlight that Government released its Green Paper on the modern Industrial Strategy on 23 January. I believe that Nick Hibberd will touch upon this in his Devolution update but wanted to advise the Board that I have tasked the Officer Programme Board with formally responding to the consultation, which closes on 17 April, on behalf of Greater Brighton.

We are also joined today by Cllr Peter Lamb, Leader of Crawley Borough Council. Welcome Peter. Welcome also to Jeff Alexander and Alison Addy, of the Gatwick Diamond Initiative and Gatwick Airport, who are here today present their growth priorities and discuss areas of common interest and joint work going forward. Our areas share challenges and opportunities and, by working collaboratively, we will strengthen our ability to tackle and maximise these to deliver significant economic growth. Our focus on the A23/M23 growth corridor – linking Brighton, Gatwick and London – provides a strong and compelling case for investment and presents a wealth of opportunities in relation to economic regeneration and employment, the benefits of which would flow across our region.

Other highlights are included in the Investment Programme Update Report but I wanted to bring to the Board’s attention that our website has gone live –

www.greaterbrighton.com – and that the first meeting of our Strategic Property Board, Chaired by Geoff Raw, took place on 25 October, where its terms of reference were agreed. The Universities have made good progress on scoping the development of our

Smart Growth Strategy and have produce a draft paper which is currently being considered by officers. I have asked that this is brought to the next meeting of the Board, which will also allow time for the paper to reflect the recent published Green Paper on the Industrial Strategy”.

- 22.2 Andrew Swayne supported the comments made by the Chair stating that the railway system required resolution for the benefit of the region and the Board should express that view clearly.
- 22.3 Councillor Morgan stated that he had in recent days put forward a proposal for a new body, comprising of councils and business representatives and working under the umbrella of Transport for the South East. The body would act in a statutory role recognised by the Department for Transport (DfT) and would award tenders and manage rail providers, giving passengers and residents a voice and would welcome support for the proposal from Board colleagues.
- 22.4 Prof. Humphris stated that the University of Sussex had expressed support for Councillor Morgan’s proposal adding that the current situation was having a detrimental impact upon the university.
- 22.5 John A. Peel stated that Jonathan Sharrock had communicated his support for the proposal and was willing to take a lead in progressing the issue.
- 22.6 Councillor Parkin expressed his support for the proposal adding that there should be more accountability on rail tenders.
- 22.7 Prof. Davies stated that the University of Sussex were also backing the proposals.
- 22.8 Dean Orgill stated whilst the proposal to solve the long-term issue was encouraging, he asked what was action was being taken in the short-term specifically whether sufficient pressure was being applied by the various local MP’s.
- 22.9 The Chair stated that he understood all three MP’s were working hard to find a resolution. The Chair asked whether the Board Members were in agreement that a short piece of work be undertaken demonstrating the economic impact of rail disruption in the Greater Brighton region and that be presented to the Board at their next meeting in April.
- 22.10 The Board were in agreement with the proposal.
- 22.11 Councillor Morgan asked that a report be brought to the next meeting outlining proposals for a potential ‘Rail South’.
- 22.12 The Board were in agreement with the proposal.

23 TRANSPORT FOR THE SOUTH EAST PROPOSALS

- 23.1 The Board considered a report of the Chair, the Greater Brighton Officer Programme Board that updated Members on the emerging shadow body arrangements for a Sub National Transport Body (SNTB) and commitment made by the constituent Authorities to working up a SNTB proposal. If approved, an update report detailing the emerging

shadow body arrangements and any potential impact on the Greater Brighton City Region would be presented to the Board within the next 12 months.

- 23.2 Andrew Swayne stated his belief that the constituent Authorities had to part of the preliminary discussions on the establishment of a SNTB or risked losing out. Rail and road link improvements were essential and there would have to be a demonstration on the value on return.
- 23.3 John A. Peel stated that the process was moving more quickly than many people knew and the National Infrastructure Committee (NIC) had already published a map outlining proposals. The A23 and M23 were critical routes in the Greater Brighton area and neither had been included in the draft outline. John A. Peel noted that Coast to Capital (C2C) had written to the NIC stating their objection to that.
- 23.4 The Chair stated that he was concerned by that issue and would write on behalf of the Board to the NIC.
- 23.5 Geoff Raw noted that the SE7 had demonstrated an appetite to move quickly on the matter pulling together existing work and there may be potential difficult choices on prioritisation. Geoff Raw added that he understood from ministers that it was unlikely that the Treasury would provide funding unless there was a related growth dividend in return.
- 23.6 Councillor Smith noted that the South East region was a net contributor to the national economy and that should be understood by the Treasury.
- 23.7 Nick Hibberd stated that during SE7 conversations with the DfT some months ago, it was clear the DfT were very keen for the establishment of SNTB's across the country. Whilst that attitude had softened of late, there were opportunities for the south east region. The historical work undertaken by the GBEB and 3SC's had established a clear set of priorities and there would be opportunity for the various district and borough council's to make their voices heard. Nick Hibberd stated that the next few months would be key in terms on the model that is followed although the full picture provided from government was not currently as clear as hoped.
- 23.8 Councillor Wall stated his agreement that the government position on the matter had softened. Councillor Wall added that every local authority and business leader recognised the current transport system was not fit for purpose and the Greater Brighton Region collectively needed to maintain pressure as it may get left behind and proposals were drawn up and agreed.
- 23.9 **RESOLVED-** That the Board notes the proposals and requests an update report be brought back to the Board on the emerging shadow body arrangements and any potential impact on the Greater Brighton City Region within the next 12 months.

24 SUSSEX COAST AREA REVIEW AND THE METROPOLITAN COLLEGE PROPOSALS

- 24.1 The Board considered a presentation from Nick Juba, Chief Executive Officer, City College Brighton & Hove that set out the recommendations proposed following the Sussex Coast Area Review and proposals for the Metropolitan College.
- 24.2 Peter Davies asked how the Greater Brighton Skills body would engage with businesses in the region.
- 24.3 Nick Juba explained that a subsidiary group would be established and in such a way to allow increased engagement with businesses and a commercial focus not currently delivered within the existing traditional structures.
- 24.4 Councillor Wall stated that he was pleased to hear positives from around the region but young people in Mid Sussex did not see such positives as there was currently no 6th Form provision in the area. Councillor Wall asked how this was proposed to be resolved
- 24.5 Nick Juba stated that Central Sussex College and Chichester College were in discussions over a potential merger and a possible campus located in Haywards Heath had arisen from those discussions. Nick Juba added that any final decision was made by the Governors of the colleges rather than the government.
- 24.6 Councillor Wall stated that it was important for the Board to note that the current situation was unacceptable and untenable.
- 24.7 The Board unanimously agreed with the statement made by Councillor Wall.
- 24.8 Prof. Humphris stated that whilst she welcomed merger discussions, it was important to recognise that a fundamental issue of governance had led to the current predicament.

25 UPDATE ON GREATER BRIGHTON DEVOLUTION BID

- 25.1 The Board considered a report of the Chair, Greater Brighton Officer Programme Board that provided the Board with the revised Greater Brighton Devolution Proposition document developed in response to the Board's instruction to progress the City Region's devolution bid to secure a non-mayoral devolution deal.
- 25.2 Councillor Smith asked how much the offer was expected to amount to and the likely governance terms in relation to that.
- 25.3 Nick Hibberd stated that an offer and the governance terms were as yet unknown but it could be anticipated that stronger governance would be expected in relation to a larger offer. Nick Hibberd stated that the Board has an established record of delivery and partners had made clear in the City Deal agreement that they were open to discussing a combined authority agreement relative to return. Furthermore, many of the functions of a combined authority could be replicated under a joint committee arrangement.
- 25.4 Nick Juba stated that he had been impressed by the joint working of the Board. From conversations with government ministers, he understood there was limited appetite from central government for further devolution deals and in his view, the offer made should

determine whether the Board focus on devolution or continue in their current, successful format.

- 25.5 Councillor Wall thanked officers for an informative report adding that he would be interested to hear the view of business partners. Councillor Wall stated that the Board continued to achieve a lot and whether it moved forward through a devolution deal or not, it must continue to work effectively and co-operatively. Councillor Wall added that the Board had to be loud and clear about what it wanted and be flexible when proposals came forward.
- 25.6 Geoff Raw stated that from his conversations with ministers, it was clear that the government focus had moved to key industrial sectors and how investment and growth could be linked to specific geographies. He added that government priorities did shift and it was important for the Board to focus on where the agenda was moving to.
- 25.7 Prof. Humphris noted that three of the twelve devolution deals had failed and asked whether any obvious distinction in what those who were successful were doing.
- 25.8 Nick Hibberd stated that those regions that had been successful in the devolution process had continued and maintained funding from government. The Greater Brighton City Deal had established an advantageous relationship and profile with government for other types of funding such as the recent award of One Public Estate (OPE) funding. Nick Hibberd added that the Board would continue to have the right discussions, raise the profile of the region and have a clear plan through its pipeline of projects.
- 25.9 John A. Peel noted that the Board's focus on the digital catapult arising from clear, focussed planning had in turn put it at the forefront for trialling 5G mobile network technology.

25.10 **RESOLVED-**

- 1) That the Board approve the Proposition document, attached as Appendix 1.
- 2) That the Board agrees to permit the Officer Board to recommence negotiations with Government.
- 3) That the Board delegates authority to the Officer Board to 'buy-in' a variety of specialist support, to both continue to build the evidence base for the City Region's Proposition and to progress priority pieces of work as outlined in section 3.12 of this report. This will initially be funded from within the Board's existing budget but further requests for funding may be made in the future if required.

26 **GATWICK DIAMOND INITIATIVE AND GATWICK AIRPORT LTD**

- 26.1 The Board considered Board considered a presentation from Jeff Alexander, Executive Director, Gatwick Diamond Initiative and Alison Addy Head of Community Engagement, Gatwick Airport Ltd that provided information on the Gatwick Diamond Initiative and Gatwick's role in the economy.

- 26.2 Prof. Humphris stated that a challenge for Gatwick may be growth and the skills and supply chain and asked for the presenters view on this issue.
- 26.3 Alison Addy stated that this was being addressed in a number of ways including a graduate programme and in the longer-term, a focus on STEM and educational partnerships. Furthermore, Gatwick had its own well-established engineering programme that had now been running for 40 years.
- 26.4 Geoff Raw noted that the Chamber for Commerce had undertaken recent research that showed 46% of the regions exports were to the EU and asked if other locations for expansion were being considered and if the presenters had any advice for the Board to that end.
- 26.5 Jeff Alexander stated that approaches would undoubtedly change following the recent referendum result and the changes that would have upon import and export markets but that would give opportunity to re-double efforts, improve focus and improve on what were occasionally piecemeal systems. Jeff Alexander asses that strong, partnership working would be a key factor in that. Alison Addy stated that international trade was something Gatwick were focussing on a gauging and maximising demand was key.
- 26.6 John A. Peel stated that he had been impressed by Gatwick Airport's encouragement of public transport and enquired whether there were any potential issues to continuing improvement.
- 26.7 Alison Addy stated that the rail network was very important to Gatwick Airport. Investment would be made in a new station as the current one was not fit for purpose although a significant funding gap had been identified through detailed design and solution was required to be found in conjunction with the DfT.

27 UPDATE ON GREATER BRIGHTON INVESTMENT PROGRAMME AND LOCAL GROWTH FUND

- 27.1 The Board considered a report of the Chair, Greater Brighton Officer Programme Board that provided a progress update on the Greater Brighton Investment Programme for the period 20 September 2016 to 20 December 2016. The report also provided an update on the Local Growth Fund (LGF) in relation to both the allocations made as part of round 3 of the Growth Deal and new bidding opportunities presented by the C2C LEP's new six monthly call for growth projects financed from unallocated Growth Deal round 1 and 2 funds.
- 27.2 Councillor Parkin asked if any information was available on the announcement of Growth Deal round 3.
- 27.3 Cath Goodall answered that she understood an announcement was imminent.

27.4 RESOLVED-

- 1) That the Board note the report.
- 2) That the Board endorse the proposed short-list of projects to be put forward by the Greater Brighton partnership to C2C LEP's new six monthly call for growth projects, recognising that new projects may still come forward.

27a UPDATE ON GREATER BRIGHTON INVESTMENT PROGRAMME AND LOCAL GROWTH FUND- EXEMPT CATEGORY 3

27a.1 The Board moved to private session to discuss confidential information pertaining to Item 26a before returning to open session.

28 PART TWO PROCEEDINGS

28.1 **RESOLVED-** That the Part Two appendix and minute item remain exempt from disclosure from the press and public.

The meeting concluded at 12.15pm

Signed

Chair

Dated this

day of