

Subject:	Greater Brighton Investment Programme – Progress Update		
Date of Meeting:	20th October 2020		
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 14 July 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 July 2020 to 30 September 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. Works on this aspect of the scheme are anticipated to commence in June 2020, subject to final legal agreements.

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. Overall programme remains on track with bridge now in place and work having commenced on cycle / footways, as well as remediation work on adjoining land.

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

A design team is in place, a construction project manager has been engaged, and work continues to progress on a detailed design for the building. This has included a range of survey work that has been undertaken to inform the design process and ensure that options are followed that are best able to reduce overall construction costs, optimise floorplates for proposed additional floorspace and reduce potential impacts on existing units while meeting the outputs of City Deal. At the time of writing 3 design options are being costed by a Quantity Surveyor, whose findings will then be modelled in respect of determining a business case.

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

In late August, the 5G Testbed at the FuseBox was partially re-opened to enable businesses on the Accelerator Programme to complete their product development to proof-of-concept stage. 4 of the 6 companies on the programme were able to do this, with two dropping out due to Covid-19. Promo videos on each company were produced. A short summary is available here. The 4th cohort of 8 Creative Industry businesses has started on their programme, the sessions for which are currently being run online. The 5G Brighton Testbed (together with national partners including Warner Music and O2) were successful in their funding proposal to DCMS for a project ("5G Festival") focussed on the Music Industry. Funding for the Research & Innovation Ring & Testbed was successfully made to C2C & MHCLG by a consortium of regional partners including BHCC & MSDC and, together with the 5G Festival activity, will provide ongoing additional innovation support and investment for our regional creative technology sector. Support for immersive businesses has now been restarted, but currently at a much more limited scale than pre-Covid.

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

Work has been focussed on the residential blocks – which are nearing completion at the time of writing. There has been little progress on The Dance Space over the last period, partly due to delays in signoff of detailed design elements, but largely due to labour shortages. Despite these issues, however, work is progressing to some extent or other on all elements of the build, including the office block, offsite public realm works.

3.1.6 Plus X (Brighton) - £7.7m

Having opened in June 2020, the first building to be completed on site, Plus X continues to promote its facilities and increase its membership. Despite challenging conditions due to Covid-19, which resulted in a slower start than anticipated, the building currently has around 100 memberships on flexible plans. The management team is also negotiating with established businesses with a view to taking significant floorspace on levels 5 and 6. Since opening, Plus X has also successfully launched its scale up innovation programme, BRITE, which is due to commence on 1st October. The Brighton Research Innovation Technology Exchange (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 have made considerable progress. The student blocks on the barracks site are nearing completion and construction of the residential blocks are underway. The University of Brighton's adjacent development is also advancing well with all 5 student blocks on the Mithras House site clearly visible.

3.1.7 Valley Gardens – Phases 1 & 2 (Brighton) - £8.0m

The Valley Gardens main contract has achieved completion. We are currently in final account negotiations with the Main Contractor including COVID-19 related claims.

The scheme is now operational, and the main construction Contract has come to an end. Defects and snagging works will continue for the next few months and maintenance for the gardens will continue for the next three years. Recent press releases and drone footage replaced our planned launch event due to Covid-19 restrictions. Monitoring will commence in October to help monitor the schemes success but early positive feedback from the community and stakeholders indicates the scheme has been well received.

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:

- Following the pre-app planning meeting held on 29 November 2019, further design work design work has been included within project plans.
- The project team have been reviewing legal and insurance implications and detailed rights to light and covenants with a view to undertaking a S203 report.
- Planning application submitted 6th March 2020.

3.2.3 Decoy Farm (Worthing) - £4.8m

Preparatory works for remediation:

- Environmental Screening opinion letter submitted to LPA
- Site specific Flood Risk Assessment commenced
- Ground Investigations completed (03/2020)
- Investigation of compensatory land/habitat underway
- Master-planning work underway to support marketing.
- Contractor frameworks identified for remediation.

Preparatory works for disposal:

- Disposal Options Report completed
- Title report commissioned

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.

Work to address onsite contamination commenced in September 2019. Ecological works and ground works are underway.

3.2.5 Growth Location (Burgess Hill) - £14.9m

Northern Arc: Work is continuing on site with housebuilder Countryside Properties. Work on Western Link Road to continue throughout the autumn. The project will deliver a new roundabout connecting to the A2300 and will give future access to the Northern Arc employment space. Completion of the roundabout is expected by the end of December 2020, with the whole link road scheduled for completion by the end of 2021.

Place and Connectivity: A public-facing engagement (which was successfully conducted through digital channels, mail drops, and public advertising) concluded July 2020, with around 350 responses received. Work has begun 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 Wivesfield Stations, public realm improvements for Church Walk / Church Road, and access & connectivity improvements for Victoria Business Park.

A2300 corridor improvements: Construction began in spring 2020 and is ongoing. The project remains on schedule for completion by March 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 40,000m² 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 which will further reduce the impact of the works on the travelling public and highway network. Works are planned to commence on site in September, under a phased approach with up to four work-fronts at any one time. Additional funding has also been sought from the LEP for the Brighton Link, to deliver a more resilient network connection between Crawley and Brighton, which will be owned by the Authority, rather than relying on leasing 3rd party commercial infrastructure.

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 completed viability study at the beginning of June which is currently being reviewed ahead of engagement and discussion with other stakeholders. As the scheme is at the design stage Covid-19 has not had an impact.

Land adjacent to Burgess Hill station - The conceptual scheme covers a 2.3 hectare site and will provide 240 apartments, a 350 space multi-storey car park, 500m² of employment space and significant remodelling of the train station infrastructure. Consultants CBRE delivered a second-draft feasibility report in June. The next steps will be to agree an engagement strategy with the other key stakeholders, Network Rail and The Arch Company (the principal land-owner at the site). 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 has 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 an overall delay of three months is anticipated, the project has robust mitigation measures in place which will ensure that all the odour reduction benefits are realised by December 2020.

3.2.6 Waterfront (Brighton) - £12.1m

Pre-app process commenced for the Black Rock site - planning application targeted for end of October in order to keep to programme (for expenditure of LEP funds by March 2021).

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. The Council now awaits appointment of a developer for the NSQ scheme in order for this enabling project to move forwards.

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. However, delays have been created by the closure of the adjacent UTC@harbourside. LDC has secured £1.3m from the Getting Building Fund (subject to business case) 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 will be submitted in October, with 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.

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 site remained open during the lockdown, a number of subcontractors furloughed staff and longer lead in times for materials caused delays to progressing works of circa 12 to 14 weeks. The council has considered its options to continue the works to Practical Completion and is to continue with Westridge to avoid further delays to the handover of the building to Brighton Dome Brighton Festival, which would add to its financial pressures caused by the Covid-19 crisis. Practical Completion is now anticipated in November 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 second 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 and includes schemes with funding approved under Phases 1,2 and 3 of the Growth Deal Rounds. Future or revised

business plans will be reported accordingly within the timescales of the project timetables.

*Finance Officer Consulted: Rob Allen, Principal Accountant
Date: 09/10/2020*

Legal Implications:

None.

*Lawyer Consulted: Joanne Dougnaglo, Senior Property Lawyer
Date: 08/10/2020*

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 July 2020

Background Documents:

None

