

<b>Subject:</b>	<b>Greater Brighton Investment Programme – Progress Update</b>		
<b>Date of Meeting:</b>	<b>27 April 2021</b>		
<b>Report of:</b>	<b>Chair, Greater Brighton Officer Programme Board</b>		
<b>Contact Officer:</b>	<b>Name:</b>	<b>Nick Hibberd</b>	<b>Tel:</b> 01273 293756
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<b>LA(s) affected:</b>	<b>All</b>		

## 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 26 January 2021.
- 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 January 2021 to 31 March 2021.
- 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 450,000m<sup>2</sup> 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 majority of works are now completed, making use of scheduled rail possessions in December 2020 and March 2021. However, due to restrictions, work was not fully completed on power cable relocations. The project team is

continuing to work with Network Rail, with a view to completing this additional work via a further rail possession in June 2021.

### 3.1.2 Port Access Road (Newhaven) £10.0m

Construction commenced early January 2019 and was substantively complete by end 2020. The road is not yet open, due to the need to construct two short link roads to different areas of Newhaven Port. These are being funded by the Port operator. Work on the northern link road has now commenced and is expected to be complete by Summer 2021.

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

21 Jan 2021 Policy & Resources Committee approved the preparation and submission of a new preferred design option for refurbishment of existing building and new 2 storey roof extension as a planning application. In conjunction with the adjacent Longley House development, 5,888m<sup>2</sup> of new employment floorspace would be provided, close to the City Deal target of 7,090m<sup>2</sup>. Design team largely appointed, although design work has currently been put on hold to allow for completion of all necessary survey work. Design work should recommence in June when this work has been completed.

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

The latest Technology Accelerator Programme was completed in March, later than planned due to the impact of Covid. The 6 companies on the programme included Photogram (AI camera technologies), Reality Check (immersive storytelling technologies), Rippla (live music streaming), and Make Amplify (large scale immersive events). Preliminary activity on the Ring & Testbed project has now commenced together with preparatory work on the DCMS-supported, DC-led programme with the music industry, whose regional partners are Brighton Dome & Festival and Wired Sussex.

Other recent activity included a project with local radio station Platform B and music venue the Green Door Store to create and test a virtual version of the venue as a broadcast platform and training for visual artists in using virtual gallery spaces to connect with audiences and customers.

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

Substantial progress has been made on both the office block and The Dance Space (the final 2 buildings to be completed) as well as offsite and onsite public realm works.

### 3.1.6 Plus X (Brighton) - £7.7m

Plus X remained operational with reduced capacity due to COVID-19 and the need to ensure a safe and secure working environment. Covid has impacted memberships but the management team continues to promote the facilities and is confident that numbers will pick up as conditions improve. The Brighton Research Innovation Technology Exchange (BRITE) programme is up and

running and taking members. BRITE is a business innovation programme for ambitious and established businesses primarily based in the Coast to Capital Local Enterprise Partnership region. The project completed the fit out of the BRITE floors creating additional space for SMEs on flexible short-term licenses as well as video conferencing and podcasting facilities, and meeting rooms. Work on the wider development continued to progress well. The student blocks on Preston Barracks have been completed, cladding works to early phase residential blocks is underway, and construction of the final residential blocks will commence shortly. The University of Brighton's adjacent development is also at an advanced stage. The main structures of all five student blocks on the Mithras House site were completed and the new academic building is weathertight.

### 3.1.7 Valley Gardens – Phase 3 (Brighton) - £8.0m

The third public consultation exercise for Valley Gardens Phase 3 has completed in late 2020, which will inform the detailed design stage.

Following a tendering process that completed in late 2020 through the council's new Transport Professional Services Framework the next stage of the scheme design commenced in January 2021.

It is now planned for the detailed design of the scheme and the construction contract procurement will be completed by end of this calendar year.

### 3.1.8 Adur Tidal Walls & Western Harbour Arm Flood Defences (Shoreham-By-Sea) – £10.5m

The New Sussex Yacht Club building is completed.

SYC served notice to vacate the redundant Yacht Club in April.

Demolition contract is being procured.

### 3.1.9 A2300 Corridor Improvements (Burgess Hill) - £17.0m

See 4.13 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:

There has been no further update since last meeting and the last position is as follows:

Main developments:

- 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:

An S106 agreement has been drafted. Appointment of Agent to market and dispose of site. The disposal strategy has been reaffirmed.

### 3.2.3 Decoy Farm (Worthing) - £4.8m

Award of the remediation contract to Keltbray. Pre-construction phase complete. Construction phase mobilisation, welfare/site set-up, environmental controls and waste treatment system in place.

Translocation of reptiles, vegetation clearance and site-wide destructive survey and ecological works have completed.

Remediation works carried out and now complete as specified, to programme and within budget as at 31st March 2021. Landfill materials have been sorted and screened and the treated landfill wastes removed from site. Entire site and development platform levelled, geotextile membrane and aggregate capping layer installed.

Air monitoring, soil sampling and laboratory testing for validation report is complete. Borehole decommissioning is complete. Groundwater monitoring and hydraulic modelling will continue.

### 3.2.4 New Monks Farm & Airport (Shoreham-By-Sea) - £5.7m

There has been no further update since the last meeting and the last position is as follows:

ADC, WSCC, and developers finalised the S106 agreement and planning decision letter was issued on 06/02/2020

Works continue on site on flood drainage, remediation, and ground preparation works for the development.

### 3.2.5 Growth Location (Burgess Hill) - £14.9m

**Northern Arc:** Work is continuing on-site with housebuilder Countryside Properties. Work on both the Eastern Bridge and Link Road and the Western Link Road is set to continue, with the whole on these links scheduled for completion by the end of 2021

**Place and Connectivity:** Work continues on delivery of the first of the phase 1 schemes including public art and other public realm improvements to the underpass at Wivelsfield Railway station. Detailed design work continues for highway improvements at Burgess Hill and Wivelsfield Stations, public realm improvements for Church Walk / Church Road, and access & connectivity improvements for Victoria Business Park. Site clearance activities are complete on all Town-wide and Green Circle routes.

**A2300 corridor improvements:** Construction began in spring 2020 and is ongoing. The project remains on schedule for completion by October 2021.

**Employment space, The Hub:** The second phase of development (a 5,000m<sup>2</sup> warehouse for Roche Diagnostics) was completed in early February. Outline planning permission for the remaining 40,000m<sup>2</sup> 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. Works have progressed at pace with over 13.8km of duct infrastructure installed across Burgess Hill. This includes 10.3km (92%) of the duct in the Local Full Fibre Network (LFFN) project and an additional 3.5km delivered through Dig Once on the A2300. The programme on plan to deliver completed network by 31st March 2021 with works commenced and completed in Brighton for connection to Brighton Digital Exchange.

**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 have completed a draft viability study which is currently being reviewed alongside engagement and discussion with other stakeholders.

**Land adjacent to Burgess Hill station** - Officers are progressing to agree an engagement strategy with the other key stakeholders, Network Rail and The Arch Company (the principal landowner at the site). Provisional approval of an initial OPE Phase 8 funding top up award of £50k has been given, split 50/50 between grant and loan funding. Network Rail have also committed an initial £25k funding to the next stage of the work programme. 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 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 this delay is anticipated, any arising issues are being managed closely with Southern Water.

### 3.2.6 Black Rock /Waterfront (Brighton) - £12.1m

The scope and outputs for the Waterfront project have now evolved in to two projects, with the agreement of the Local Enterprise Partnership. A revised series of outputs has been agreed for the Black Rock project which focus upon two key phases of enabling (underway) and future permanent development (to be progressed with a target of 2026 for completion).

The aim of the project to regenerate the Black Rock site is now underway, with a successful planning application achieved in June 2020 and 4 works packages at various stages of contractual commitment. The first two works packages, to deliver improvements to Dukes Mound junctions and begin work to the new beach boardwalk, have appointed contractor's and are underway. The Sea Wall and Marina Link followed by the works to existing heritage and Kempton

Gardens will begin in summer 2021. Two works packages have started on site. The Local Enterprise Partnership endorsed the revised project supported by a revised set of outputs up to and including to 2026. The finalised outcomes are to be agreed once a Development Brief is agreed for the site in late 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

There has been no further update since the last meeting and the last position is as follows:

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. NSQL, the majority landowner at the NSQ site, has confirmed that it will sell its land to a third-party developer – Human Nature. On 10<sup>th</sup> December 2020, the Council's Cabinet agreed heads of terms for the sale of its land to this developer. The Council will now work with Human Nature to understand their plans and timescales for development of the NSQ site, including the fire station.

#### 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. LDC has secured £1.3m from the Getting Building Fund 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. Planning consent has been granted and work commenced in early March 2021. Target completion is May 2021.

### 3.3.4 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. All structural remedial works to the two-hundred-year-old Corn Exchange timber frame and roofing works have been completed to secure the building envelope. Finishing and completion works are progressing with the installation of the Corn Exchange oak wall boarding substantially completed. While the direct impact of Covid-19 has reduced with no subcontractors leaving site during the second or third lockdown, further delays remain a risk and on site measures including physical distancing, track and trace venue check-in, increased cleaning regime and visitors asked to wear facemasks are in place. Practical Completion is now anticipated in February 2022.

### 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 fourth 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. Unallocated LGF Growth Deal Funds of £9.1m were available from June 2019 with 6 bids (totalling £6.248m) being awarded to schemes within the Greater Brighton region, these are shown at paragraph 3.6 above. Future or revised business plans will be reported accordingly within the timescales of the project timetables.

*Finance Officer Consulted: Rob Allen, Principal Accountant*

*Date: 14/04/21*

##### Legal Implications:

7.2 None.

*Lawyer Consulted: Joanne Dunnyaglo, Senior Property Lawyer*

*Date: 14/4/21*

##### 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:**

1. Greater Brighton Investment Update Report April 2021

**Background Documents:**

None

