

Subject:	Greater Brighton Project Pipeline		
Date of Meeting:	26 January 2016		
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 On 13 October 2015, the Greater Brighton Economic Board ('the Board') agreed the Greater Brighton Project Pipeline 2016/17 ('the Pipeline'). The Pipeline consists of a 'long-list' of projects located across the City Region for which capital grant funding via the Growth Deal mechanism will be sought. The Pipeline was submitted to the Coast to Capital Local Enterprise Partnership ('C2C LEP') on 14 October 2015.
- 1.2 On 22 December 2015, the C2C LEP launched a call for Growth Projects. The purpose of this report is to seek the Board's endorsement of the project 'shortlist'; as the projects from the Pipeline that have been prioritised for this round of funding.
- 1.3 To ensure completeness and continued accuracy, members of the Greater Brighton Officer Programme Board ('the Officer Programme Board') have reviewed the Pipeline in line with the emerging Greater Brighton Devolution Proposals. This report also seeks the Board's endorsement of the amended Pipeline.

2. RECOMMENDATIONS:

- 2.1 That the Board:
 - (1) Endorse the amended Pipeline, recognising that new projects may still come forward;
 - (2) Endorse the project 'shortlist', and;
 - (3) Task the Officer Programme Board with completing a C2C LEP Growth Projects Application Form for all projects on the 'shortlist', by 31 March 2016 deadline.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The C2C LEP secured an allocation of £240m for 2015-2021 through Growth Deal rounds one and two.

- 3.2 To date, the Board has successfully secured a Local Growth Fund (LGF) allocation of approximately £92m for the Greater Brighton Investment Programme ('the Programme') through these first two rounds.
- 3.3 On 25 November 2015, Government reconfirmed the full amount of funding required to meet existing Growth Deal commitments from 2016/17-2020/21 as part of the Spending Review 2015. Government also confirmed a continuing LGF totalling up to £12b to 2020/21. Not all of this £12bn has been allocated, indicating that Government may launch a future round of funding to deliver growth projects.
- 3.4 On 22 December 2015, the C2C LEP launched a call for Growth Projects for "if and when" future Government funding becomes available. At the time of writing, an announcement on any future funding from LGF remains speculative and the C2C LEP's process, criteria and application form may all change.
- 3.5 The C2C LEP is expecting "fewer projects, better argued". The amount of funding available nationally has reduced and, in order to secure a decent allocation, the C2C LEP will need specific and well developed schemes to put forward to Government.
- 3.6 To enable applicants to prioritise the projects that they submit for funding in this round, the C2C LEP has set out clear 'fundamental tests' and, for those projects passing these, 'assessment criteria' against which they will be scored. The information provided via the completed Growth Projects Application Form will enable the C2C LEP to assess and prioritise the projects that they put forward to Government. Not all projects submitted to the C2C LEP in this round will be put forward to Government, even if they are feasible and meet the 'assessment criteria'.
- 3.7 The 'fundamental tests' are as follows:
- The project is applying for a minimum of £500,000 funding (there is no maximum) and this is being matched by 50% for non-transport projects and 15% for transport projects;
 - The project must consider and evidence State Aid compliance, and;
 - Only capital expenditure, as defined in the CIPFA guidelines, is eligible for funding. Match funding can be used for revenue expenditure if required, but projects that consist entirely revenue expenditure cannot be considered.

3.8 The 'assessment criteria' is as follows:

Criteria	Description	Score	Weighting
Strategic fit	Assessment of the strategic fit with Coast to Capital priorities within the Strategic Economic Plan and an assessment of the strategic fit with the Greater Brighton and/or the Three Southern Counties Devolution Proposals with the backing of the Area Partnerships/London Borough of Croydon.	0-6	20%

Core outputs and outcomes	Assessment against the core outputs in which the funding is expected to deliver including direct and indirect new jobs, safeguarded jobs, new homes, new employment space, private and public sector leverage.	0-6	20%
Additional benefits	Assessment of the additional benefits to be generated from the project including business support, land, property and flood protection, transport improvements, skills and learner outcomes.	0-6	10%
Value for money	Assessment of the value for money against the cost per job/home, Benefit Cost Ratio, need for LGF investment, deadweight and displacement. Are the costs reasonable.	0-6	20%
Match Funding	Assessment of the percentage of match funding being provided.	0-6	10%
Deliverability	An assessment of the technical feasibility and the Delivery body's ability to deliver the scheme and within the timescales set out	0-6	10%
Fit to local priorities	An assessment of the fit to local priorities and evidence of community support	0-6	10%

3.9 To ensure completeness and continued accuracy, members of the Officer Programme Board reviewed the Pipeline in December 2015 in line with the emerging Greater Brighton Devolution Proposals. The amended Pipeline is attached as Appendix 1 of this report.

3.10 In December 2015, members of the Officer Programme Board assessed the projects within the Pipeline against: project readiness; the C2C LEP's 'fundamental tests' and 'assessment criteria' for Growth Projects, and; the likely eligibility for alternative grant funding, for example Coastal Communities, EU Structural Funds and future rounds of Regional Growth Fund should these become available.

3.11 Based on the above, a project 'shortlist' for this round of funding was created, as follows (in no particular order):

Project Title	Lead Delivery Body
Worthing Central (Phase One) (including Union Place, Teville Gate, Montague Street and the Grafton Centre)	Adur & Worthing Councils
Shoreham New Monks Farm and Airport Business Estate (including A27)	Adur & Worthing Councils
Decoy Farm, Worthing	Adur & Worthing Councils
Waterfront East – Infrastructure, Brighton	Brighton & Hove City Council

Royal Pavilion Estate, Brighton	Brighton & Hove City Council
Bio-Innovation Centre, Brighton	University of Sussex
City Centre Campus Redevelopment, Brighton	City College Brighton & Hove
Beach Road Eastside Business Park, Newhaven	Westcott Leach Limited (with support of Lewes District Council)
Burgess Hill Growth Area – Infrastructure Package (including Sustainable Transport)	Mid Sussex District Council
Burgess Hill Growth Area - Science & Technology Park	Mid Sussex District Council

3.12 Collectively, these projects are seeking a total allocation of approximately £78m, with the estimated project costs totalling £325m.

3.13 Draft versions of the completed Growth Projects Application Form for the projects contained within the ‘shortlist’ are attached in as Appendix 2 Part Two of the agenda. Pending the Board’s endorsement, these will continue to be developed ahead of their submission on 31 March 2016.

4. CONCLUSION

4.1 The Board has been enormously successful in securing funding for its Investment Programme through rounds 1 and 2 of the LGF. To ensure the City Region’s continued success in this next round, the Board is asked to endorse the project ‘shortlist’ and task the Officer Programme Board with completing the associated C2C LEP Growth Projects Application Forms, for submission by 31 March 2016.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

5.1 The projects proposed for the ‘shortlist’ round of funding through the government’s Growth Funding plans will require detailed feasibility studies and business plans to be put in place. This will include identifying match funding of 50% for non-transport projects and 15% for transport projects and this may be met through a combination of bidding exercises for additional grant funding, working within partnerships or the use of existing capital resources. There is no limit on the amount of bidding that can be requested for each project although the investment is specifically of a capital nature.

Finance Officer Consulted: Rob Allen, Principal Accountant Date: 14/01/16

Legal Implications:

- 5.2 The main legal implication arising relates to the state aid status of the individual project on the shortlist and sufficient analysis will be required to be undertaken to satisfy the fundamental test for each project.

Lawyer Consulted: Bob Bruce Deputy Head of Law BHCC Date: 06/01/16

Equalities Implications:

- 5.3 None

Sustainability Implications:

- 5.4 None

Any Other Significant Implications:

- 5.5 None

SUPPORTING DOCUMENTATION

Appendices:

Appendix 1: Greater Brighton Project Pipeline, as at 05 January 2015

Appendix 2: Draft Versions of Completed Growth Projects Application Forms (Exempt-Category 3- Copy circulated to Members only).

Background Documents

None

Appendix 1: Greater Brighton Project Pipeline (05 January 2015)

Project Title	Lead Delivery Body(s)
Worthing Central (Phase One) (including Union Place, Teville Gate, Montague Street and the Grafton Centre)	Adur & Worthing Councils
Northbrook College Innovation Centre, Worthing	Adur & Worthing Councils Worthing College
Martletts Way, Worthing	Adur & Worthing Councils
Decoy Farm, Worthing	Adur & Worthing Councils
Shoreham New Monks Farm and Airport Business Estate	Adur & Worthing Councils
Shoreham Harbour Transport Package, Shoreham	Adur & Worthing Councils / Brighton & Hove City Council / West Sussex County Council
A259 Coastal Transport System (CTS)	Brighton & Hove City Council / West Sussex County Council
Waterfront Central – Gateway to the Sea, Brighton	Brighton & Hove City Council
Waterfront Bus, Brighton	Brighton & Hove City Council
Waterfront East – Madeira Terraces, Madeira Drive and Dukes Mound, Brighton	Brighton & Hove City Council
Waterfront East – Infrastructure, Brighton	Brighton & Hove City Council
Royal Pavilion Estate, Brighton	Brighton & Hove City Council
Park & Ride – Brighton & Hove and National Park	Brighton & Hove City Council
Bio-Innovation Centre, Brighton	University of Sussex

City Centre Campus Redevelopment, Brighton	City College Brighton & Hove
Beach Road Eastside Business Park, Newhaven	Westcott Leach Limited (with support of Lewes District Council)
Railway Quay, Newhaven	Lewes District Council
East Quay, Newhaven	Lewes District Council
Burgess Hill Growth Area – Infrastructure Package (including Sustainable Transport)	Mid Sussex District Council
Burgess Hill Growth Area - Science & Technology Park	Mid Sussex District Council
1gig City Region	TBC – City Region Wide
Greater Brighton Bike Share Programme	TBC – City Region Wide
Greater Brighton Intelligent Transport Systems Packages	TBC – City Region Wide
Greater Brighton Bus Network Enhancements	TBC – City Region Wide
Greater Brighton Station Sites (including Newhaven, Brighton, Hove, Burgess Hill, Worthing and Durrington-on-Sea)	TBC – City Region Wide

