



GREATER BRIGHTON ECONOMIC BOARD

**19 APRIL 2016
10.00AM**

**CONFERENCE SUITE, TRIANGLE LEISURE CENTRE, BURGESS
HILL**

AGENDA

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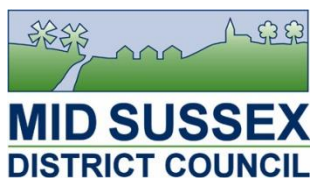
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For further details and general enquiries about this meeting contact John Peel, (01273 291058, email john.peel@brighton-hove.gov.uk) or email democratic.services@brighton-hove.gov.uk.

Date of Publication - Monday, 11 April 2016



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|----------|---|
| Title: | Greater Brighton Economic Board |
| Date: | 19 April 2016 |
| Time: | 10.00am |
| Venue | Conference Suite, Triangle Leisure Centre, Burgess Hill |
| Members: | Councillors: Parkin (Chair), Humphreys, Morgan, Smith, G Theobald and Wall Business Partners: Trevor Beattie, Sue Dare, Prof. Michael Davies, Peter Davies, Prof. Debra Humphris, Nick Juba, Dean Orgill, John A. Peel and Andrew Swayne |
| Contact: | John Peel Democratic Services Officer 01273 291058 john.peel@brighton-hove.gov.uk |



University of Brighton



Greater Brighton Economic Board

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CE - WBC/ADC

**Councillor
Neil Parkin
(Chair)**

Secretary to the
Board

Lawyer

Nick Hibberd
BHCC

Thalia Liebig
BHCC

Max Woodford
LDC

Philip Carr

**Councillor
Geoffrey Theobald**
BHCC

**Councillor
Warren
Morgan**
BHCC

Geoff Raw
BHCC

**Councillor
Andy Smith**
LDC

Robert Cottrill
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Humphreys**
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Director C2C
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Prof. Michael Davies
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**Nick Juba/Sue
Dare**
FE Rep

Trevor Beattie
SDNPA

Amanda
Menahem

Jonathan
Sharrock

Caroline Wood

Public Seating



Press



AGENDA

Part One

Page

30 PROCEDURAL BUSINESS

(a) Declaration of Substitutes: Where Members of the Board are unable to attend a meeting, a designated substitute for that Member may attend, speak and vote in their place for that meeting.

(b) Declarations of Interest:

- (a) Disclosable pecuniary interests not registered on the register of interests;
- (b) Any other interests required to be registered under the local code;
- (c) Any other general interest as a result of which a decision on the matter might reasonably be regarded as affecting you or a partner more than a majority of other people or businesses in the ward/s affected by the decision.

In each case, you need to declare

- (i) the item on the agenda the interest relates to;
- (ii) the nature of the interest; and
- (iii) whether it is a disclosable pecuniary interest or some other interest.

If unsure, Members should seek advice from the committee lawyer or administrator preferably before the meeting.

(c) Exclusion of Press and Public: To consider whether, in view of the nature of the business to be transacted, or the nature of the proceedings, the press and public should be excluded from the meeting when any of the following items are under consideration.

NOTE: *Any item appearing in Part Two of the Agenda states in its heading the category under which the information disclosed in the report is exempt from disclosure and therefore not available to the public.*

A list and description of the exempt categories is available from the Secretary to the Board.

31 MINUTES OF THE PREVIOUS MEETING

1 - 6

Minutes of the previous meeting held on 26 January 2016 (copy attached).

GREATER BRIGHTON ECONOMIC BOARD

32 CHAIRS COMMUNICATIONS

33 UPDATE ON GREATER BRIGHTON INVESTMENT PROGRAMME 7 - 18

Report of the Chair, Greater Brighton Officer Programme Board (copy attached).

34 UPDATE ON GREATER BRIGHTON DEVOLUTION BID 19 - 56

Report of the Chair, Greater Brighton Officer Programme Board (copy attached).

35 UPDATE ON SUSSEX COAST AREA REVIEW

Update by Nick Juba, Chief Executive City College Brighton & Hove

36 PRESENTATION ON CITY COLLEGE BRIGHTON AND HOVE CITY CENTRE CAMPUS REDEVELOPMENT

Presentation by Nick Juba, Chief Executive City College Brighton & Hove

37 PRESENTATION ON BIO-INNOVATION CENTRE

Presentation by Professor Michael Davies, Deputy Vice-Chancellor University of Brighton and Mike Herd, Executive Director Sussex Innovation Centre.

38 PRESENTATION ON STEMFEST AND BIG BANG

Presentation by Caroline Wood, Director Coastal West Sussex Partnerships.

39 OPERATIONAL ARRANGEMENTS FOR 2016/17 57 - 76

Report of the Chair, Greater Brighton Officer Programme Board (copy attached).

PART TWO

40 PART TWO MINUTES OF THE PREVIOUS MEETING

77 - 78

Part Two minutes of the previous meeting held on 26 January 2016 (copy attached).

41 PART TWO ITEMS

To consider whether the items listed in Part Two of the agenda and decisions thereon should remain exempt from disclosure to the press and public.

41 PART TWO ITEMS

To consider whether the items listed in Part Two of the agenda and decisions thereon should remain exempt from disclosure to the press and public.

GREATER BRIGHTON ECONOMIC BOARD

10.00am 26 JANUARY 2016

QUEEN ELIZABETH II ROOM, SHOREHAM CENTRE

MINUTES

Present: Councillors Parkin (Chair), Humphreys, Morgan, Smith, G Theobald and Wall

Business Partners: Prof. Davies, John A. Peel, Caroline Wood

PART ONE

21 PROCEDURAL BUSINESS

21a Declarations of Substitutes

21.1 Caroline Wood was present as substitute for Peter Davies.

21b Declarations of Interests

21.2 There were none.

21c Exclusion of press and public

21.3 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.

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

22 MINUTES OF THE PREVIOUS MEETING

22.1 **RESOLVED-** That the minutes of the previous meeting held on 13 October 2015 be approved and signed as the correct record.

23 CHAIRS COMMUNICATIONS

23.1 The Chair provided the following communication:

"I'd like to take this opportunity to welcome a new Member to the Board: Councillor Andy Smith from Lewes District Council".

24 UPDATE ON GREATER BRIGHTON INVESTMENT PROGRAMME

- 24.1 The Board considered a report of the Chair, Greater Brighton Officer Programme Board that provided a progress update on the Greater Brighton Investment Programme that included projected that had already been allocated City Deal and Coast to Capital Growth Deal funding and covered the period 16 September 2015 to 16 December 2015.
- 24.2 John A. Peel noted that there had been a drift toward delay in projects and asked what actions were being taken to advance projects quickly.
- 24.3 Nick Hibberd stated that there had been some delay to enable the accountable body to become familiar with projects and process and some problems had been experienced with State Aid. He strongly believed that the process would quicken henceforth from established working practices and becoming more familiar with a new process adding that getting critical projects over the line may mean escalation.
- 24.4 **RESOLVED-** That the Board note the report

25 UPDATE ON GREATER BRIGHTON DEVOLUTION BID

- 25.1 The Board considered a report of the Chair, Greater Brighton Officer Programme Board that provided an update on progress in relation to the development of the City Region's devolution bid since the previous meeting held on 13 October 2015.
- 25.2 Nick Hibberd updated the Board on recent developments noting that a meeting had been held with Baroness Williams from whom a letter of thanks had been received with a further meeting with government officials scheduled for the current week.
- 25.3 Councillor Morgan congratulated officers for their work and the Chair of the Board for leading the delegation.
- 25.4 The Chair echoed the congratulations to officers adding that the meeting had gone very well.
- 25.5 Councillor Theobald stated that a second line between Brighton station and Three Bridges station was essential to improve access to and from London and he sought assurance that the matter had been raised.
- 25.6 Geoff Raw stated that the matter had been raised and there had been further discussion with the Department for Transport (DfT) and input from the new Chief Executive of Coast to Capital on the matter.
- 25.7 Phillip Carr agreed that the meeting had gone well and ministers had subsequently commended the diversity of the proposals and the range of skills and backgrounds of those presenting them.

25.8 Councillor Wall stated it was important that the focus of the Greater Brighton region and the 3SC's be closely aligned and planned to ensure there was no duplication in work and that it met the respective local authorities aims. Councillor Wall stated that there were three essential issues: transport, infrastructure and housing and progress required consensus and political support.

25.9 **RESOLVED-** That the Board:

- (1) Note the contents of the report, and;
- (2) Receive a verbal update at its meeting on 26 January 2016 on the City Region's Ministerial challenge session, confirmed for 14 January 2016, and the recommended next steps in line with the feedback that is received.

26 UPDATE ON COASTAL WEST SUSSEX AND GREATER BRIGHTON LOCAL STRATEGIC STATEMENT

26.1 The Board considered a presentation from Caroline Wood and Liz Hobden (Planning Manager- Brighton & Hove City Council) that detailed the strategic context and objectives plus next steps of the Local Strategic Statement refresh.

26.2 Geoff Raw stated that the Local Strategic Statement was an ongoing demonstration of co-operation and formulation of a robust process that would assist with infrastructure bids and demonstrations to central government.

26.3 **RESOLVED-** That the presentation be noted.

27 PRESENTATION ON WORTHING TOWN CENTRE REGENERATION

27.1 The Board considered a presentation from Martin Randall detailing several regeneration projects that were planned and in progress in Worthing Town Centre.

27.2 Councillor Theobald thanked Martin Randall for his presentation adding that he had found the projects very impressive.

27.3 Councillor Humphreys stated that whilst there were constraints there was potential for delivery on a number of exciting projects and he was very keen to push these forward.

27.4 Amanda Menahem enquired as to the timescales of delivery for the projects.

27.5 Martin Randall explained that delivery was programmed for 2018-2021 but each project required overlap with the necessary public realm improvements.

27.6 Councillor Smith stated that the focus in programme delivery for Lewes was on creating revenue streams as the authority was capital rich but currency poor.

27.7 Martin Randall agreed that whilst asset sales would provide capital receipts, creating new revenue streams was more important, albeit more challenging.

27.8 Councillor Wall noted the complexities in convincing developers toward mixed home, retail and office space.

27.9 **RESOLVED-** That the presentation be noted.

28 UPDATE ON GREATER BRIGHTON PROJECT PIPELINE

28.1 The Board considered a report of the Chair, Greater Brighton Officer Programme Board that sought endorsement of a shortlist of projects prioritised to be submitted to the Coast to Capital (C2C) Local Economic Partnership (LEP) Growth Projects.

28.2 John A. Peel stated that on behalf of the LEP, he was very encouraged by the positive approach to the process displayed by the Board.

28.3 **RESOLVED-** 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.

29 GREATER BRIGHTON PROJECT PIPELINE- EXEMPT CATEGORY 3

29.1 The Board moved to private session to discuss confidential information pertaining to Item 28 before returning to open session.

30 PART TWO MINUTES OF THE PREVIOUS MEETING

30.1 **RESOLVED-** That the Part Two minutes of the previous meeting held on 13 October 2015 be approved and signed as the correct record.

31 PART TWO PROCEEDINGS

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

The meeting concluded at 11.45am

Signed

Chair

Dated this _____ day of _____

| | | | |
|-------------------------|--|--|--------------------------|
| Subject: | Update on Greater Brighton Investment Programme | | |
| Date of Meeting: | 19 April 2016 | | |
| 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 This report provides the Greater Brighton Economic Board ('the Board') with a progress update on the Greater Brighton Investment Programme ('the Programme').
- 1.2 The period covered by this report is 17 December 2015 to 17 March 2016.

2. RECOMMENDATIONS:

- 2.1 The Board is asked to note the contents of this report.
- 2.2 The Board is asked to endorse the submission of two additional City Region projects – Eastside North, Newhaven and South Site, Brighton Marina – for this round of C2C Growth Deal funding. Further details are outlined in section 3.41 – 3.44 of this report.

3. PROGRAMME HIGHLIGHTS:**Schedule Status**

- 3.1 The governance processes surrounding the Growth Deal Funds are currently being reviewed by the Coast to Capital (C2C) Chairman's Governance Committee. This includes a review of the RAG rating being used within the Programme Reporting Book, which is no longer fit for purpose as a number of projects move into delivery phase. The Programme Reporting Book will re-launch in the new financial year.
- 3.2 C2C has confirmed that the projects within the Programme continue to make steady progress. A number have taken advantage of C2C's funding flexibilities and good progress is being made in relation to the Funding Agreements ('Agreements'). The Construction Trades Centre and the Advanced Engineering Centre projects have Agreements in place and, at the time of writing, Agreements for the Circus Street Innovation Growth Centre and Regeneration, Preston Barracks Central Research Laboratory, Brighton Valley Gardens, Newhaven Flood Alleviation Scheme, Adur Tidal Walls and Worthing Sustainable Transport Package projects were all nearing completion.

- 3.3 It should be noted that Agreements are also in place for each of the City Region's Learning Facilities Fund projects; City College Brighton and Hove (£250,000), Northbrook College (£200,000), Plumpton College (£200,000), Sussex Downs College (£100,000) and Worthing College (£99,960) to fund refurbishments and improvements to the colleges' existing assets and facilities to reduce the estate E-mandate condition. 100% of these grants must be spent in 2015/16 and all are progressing well.

New England House Growth Centre

- 3.4 Redevelopment and investment options have been explored with potential joint venture partners. A report was presented to Brighton & Hove City Council's (BHCC) Policy & Resources Committee (P&R) on 03 December 2015 and agreement was given to work with Arcus PCD towards a land deal that would provide an integrated employment-led mixed use development across both the New England House site and the adjacent Longley Industrial Estate, on which the council is a freeholder. Following a legal challenge from the leaseholder of the Longley site, the P&R decision has been rescinded and further discussions and negotiations between the relevant parties towards reaching an agreed land deal to facilitate the desired outputs for the site are currently underway.

Digital Catapult Centre Brighton

- 3.5 The Digital Catapult Centre Brighton is celebrating its first anniversary. In that time it has worked with 250 small businesses, as well as corporates including American Express and Gatwick Airport, and a range of university partners. It has successfully leveraged in an additional £800,000 of funding over and above that which was included in the original bid. The Agreement is still to be signed and the Local Growth Fund (LGF) funding for both the Centre and the National 5G SME Testbed is yet to start flowing.

Superconnected Cities Programme – Broadband Voucher Scheme

- 3.6 Government's Broadband Connection Voucher Scheme is now closed to new applicants. The Greater Brighton Scheme has offered a total of 1,095 vouchers with a value of £1,000,528. 870 broadband connections have been installed and claimed to date. The deadline for installation is 31 March 2016, with a small number of vouchers being extended to 30 June 2016.

Advanced Engineering Centre

- 3.7 The planning application was approved by BHCC's Planning Committee on the 16 September 2015 and the S106 Agreement with BHCC has now been signed. The University of Brighton (UoB) has appointed contractors through a full two stage tendering process and work started on site in January 2016. The tender process for the main construction contract was prolonged as a consequence of the challenging UK construction market. High tender prices have required the project to be value engineered to remain within budget – this resulted in a delay in commencement. An accelerated construction period has been agreed with the contractor, in order to minimise slippage and ensure that we are able to open the building in early 2017.

Innovation Centre Brighton (Block J)

- 3.8 Initial construction work on the Sussex Innovation Centre building has been delayed, but has now started and completion is now expected in Summer 2016. There has already been a lot of interest in the new space shown by tech business, either expanding out of the existing Sussex Innovation Centre or from small offices in central Brighton. Sussex Innovation will start active marketing of the site, once the new completion date is finalised.

Circus Street Innovation Growth Centre and Regeneration

- 3.9 Demolition of the former market building commenced in September and was completed in December 2015. Demolition of the university annexe building commenced in March 2016 and should be completed in April.
- 3.10 Over the last few months U+I has been involved in negotiations with its development contractors to reduce and finalise construction costs. This has delayed the development agreement between the partners from going unconditional, along with the commencement of construction work on site. It is hoped that agreement on all issues will be finalised shortly to enable the development agreement to go unconditional in early May and construction work to commence shortly thereafter.

Preston Barracks Central Research Laboratory

- 3.11 The U+I (formerly Cathedral) and UoB teams continue to develop the master plan for the entire 4 hectare site and recently presented revised proposals to BHCC's cross-party Project Board. The detailed design process, including that of the Centre Research Laboratory (CRL), is due to commence shortly and consultation on the proposed scheme should begin from mid-2016. It is hoped that the planning application will be submitted in the second half of 2016, with building works commencing from Spring 2017/18.
- 3.12 The CRL pilot project is now underway in an improved former TA building, which has been brought back into temporary use pending redevelopment. Seven innovative start-ups from Brighton & Hove have been selected to take residency in the temporary workspaces. The building will also host a range of wider community focussed engagement activities in the coming months.

City College Brighton and Hove – Construction Trades Centre

- 3.13 The City College East project continues to make good progress; demolition has been completed and ground works are underway. In accordance with the project plan, construction is due to complete in March 2017 to enable occupation from April/May 2017. While the approved contract does exceed the initial allocation – £9.3m as opposed to £9m – City College Brighton and Hove will meet the shortfall using receipts from the sale of a surplus site.

Newhaven Growth Quarter

- 3.14 The construction of Newhaven Growth Quarter has now been completed ahead of schedule and was officially handed over by the contractor – Morgan Sindall –

on 4 March 2016. The fit-out of the Enterprise Centre extension will now commence, with tenants occupying the new units from April 2016. An official 'launch' event will be held on 21 April 2016 to generate additional publicity.

Newhaven Enterprise Zone

- 3.15 The Newhaven Enterprise Zone (EZ) will start in April 2017. As part of the planning ahead of zone implementation, Lewes District Council's (LDC) Regeneration & Investment team has met with all landowners to outline the benefits of EZ status and to understand their aspirations. A timeline is currently being prepared, identifying when individual sites are likely to come forward and key actions required in the interim. Discussions are ongoing with C2C around forward funding and viability gaps for specific sites, and an Investment Strategy will be prepared by Summer 2016.

Newhaven Flood Alleviation Scheme

- 3.16 The Planning Application has been submitted and a response is anticipated in April 2016.
- 3.17 The tender pack for the detailed design and construction phase of work was issued to suppliers on 13 November 2016 and a site visit held on 18 November 2015. The contract is due to be awarded in May 2016.

Newhaven Port Access Road

- 3.18 The first phase of the Port Access Road (PAR) (A259 to Pargut roundabout), which is being constructed as part of the Eastside development, is virtually completed.
- 3.19 The development of a business case for the second phase of the PAR (from Pargut roundabout to Mill Creek) is underway. As a retained scheme, discussions have been ongoing with the Department for Transport (DfT) to agree the required scope of the business case. It is now hoped to submit draft business case documents for DfT comment over Spring/Summer 2016.
- 3.20 Procurement of a contractor on a design and build contract is also due to commence in Spring 2016 and, following agreement of the contract price, final submission of the business case is planned for early 2017. Subject to the approval of the business case, construction could commence in mid-2017, with completion in Spring 2018.

Shoreham Flood Defences – Adur Tidal Walls

- 3.21 A preferred contractor – Team Van Oord – has been selected, following a competitive tender process. The Environment Agency (EA) is presently working with the preferred contractor to finalise contract arrangements.
- 3.22 On 14 March 2016, Adur District Council's (ADC) Planning Committee recommended the project for planning approval.
- 3.23 The current programme is to begin construction on site in Summer 2016.

Shoreham Flood Defences – Western Harbour Arm

- 3.24 Negotiations are proceeding with Sussex Yacht Club in respect of the purchase of land for the provision of a flood defence along the back edge of the A259. The key issue of the value of the land is being addressed by the District Valuer and it is anticipated that the District Valuer's report will be available at the end of March 2016. The valuation work is essential to underpin the detailed business case for the use of LGF funding along this section of the Western Harbour Arm.
- 3.25 The works at Kingston Beach, planned for 2016/17, are being delayed slightly as discussions are on-going with a potential developer of adjoining land as this may influence the final flood defence solution for this eastern part of the comprehensive flood defence solution. A final decision on the extent of any flood defence works for Kingston Beach will be made by the end of April 2016.

Burgess Hill Growth Location

- 3.26 Mid Sussex District Council (MSDC) resolved on 10 March 2016 to grant planning permission for the £65 million New River Retail scheme to redevelop Burgess Hill town centre. The scheme will revitalise the town centre and help to attract large national retailers to the town. It also includes leisure and community facilities, a ten screen cinema, a hotel, food/drink outlets and new residential accommodation. Development should commence in mid-2017, with completion by 2021.
- 3.27 Work continues on the Brow to convert a disparate set of public sector buildings into a modern, purpose built community hub and provide a significant number of starter homes that will support the regeneration of Burgess Hill town centre. The Homes and Communities Agency (HCA) has commissioned architects and planning consultants to masterplan the site and work continues with the partners to agree how the masterplan will be implemented.
- 3.28 The Northern Arc scheme, which will deliver 3,500 new homes alongside a business park and schools and community facilities, remains the key focus for the MSDC. A team of specialists continues to work to address the main issues, both to support the forthcoming submission of the District Plan for examination and to assist the developers in submitting their planning applications. Detailed meetings with the developers are programmed over the next few weeks to address issues such as development areas, housing density/numbers and transport access arrangements. MSDC also continues to work closely with the HCA to help bring this scheme forward.
- 3.29 The show home is open at the Kings Way site on the east side of Burgess Hill and the first houses will be ready for occupation over the next month. The Keymer Tile Works development nearby is also well underway, following extensive groundworks to facilitate redevelopment of this former quarry. The first homes there are due to be available from July 2016. Together, these two schemes will deliver nearly 1,000 new houses over the next few years, alongside facilities including a GP surgery and community halls.
- 3.30 Positive progress also continues to be made on a range of other projects including the Science and Technology Park proposal, where consultants jointly

commissioned by MSDC and West Sussex County Council (WSCC) are working on a masterplan. The Hub business park and the various transport improvement schemes in and around Burgess Hill are also being progressed.

A2300 Corridor Improvements – Burgess Hill

- 3.31 This scheme will support economic growth through enabling the delivery of strategic housing and employment development at Burgess Hill, and the funding profile has been aligned with the development profile currently being proposed by developers. The Burgess Hill Transport Model to support the business case is currently being developed and is due to be completed in May 2016, at which point the model will be available for use in assessing the economic benefits of the A2300 in support of the business case to be submitted to Local Transport Body. As this is a DfT retained scheme, the revised funding profile will also be communicated to DfT. The current programme indicates a start of construction in Q4 2020/21, with completion in Q1 2022/23.

Brighton Valley Gardens – Phases 1 and 2

- 3.32 Due to the recent changes to the traffic network in the area – such as Lewes Road, Brighton Station Gateway and Edward Street – the proposed Scheme is currently being re-modelled against 2015 traffic data. This will ensure that the improvements provide optimal benefits, before the scheme is progressed to construction. This review process is anticipated to be completed by Summer 2016.

Brighton Bike Share

- 3.33 On 24 November 2015, BHCC's Environment, Transport & Sustainability Committee gave permission for the project to move to procurement and award and the project specification is now under development. The procurement specification is now being finalised and branding and market research activities will also be commencing shortly.

Brighton & Hove Intelligent Transport Systems (ITS) Package

- 3.34 Work on the ground is underway, with a particular focus on the busy A259 corridor. A number of sites have, or will be completed, by the end of the financial year.
- 3.35 Investment in the infrastructure and software that is located in the Traffic Control Centre has been completed and other elements are under discussion with the contractor.

Montague Place, Phase 1 Worthing Sustainable Transport Package

- 3.36 As scheduled, works started on site on 11 January 2016. The bulk of the materials and supplies have or will be purchased by the end of March 2016.

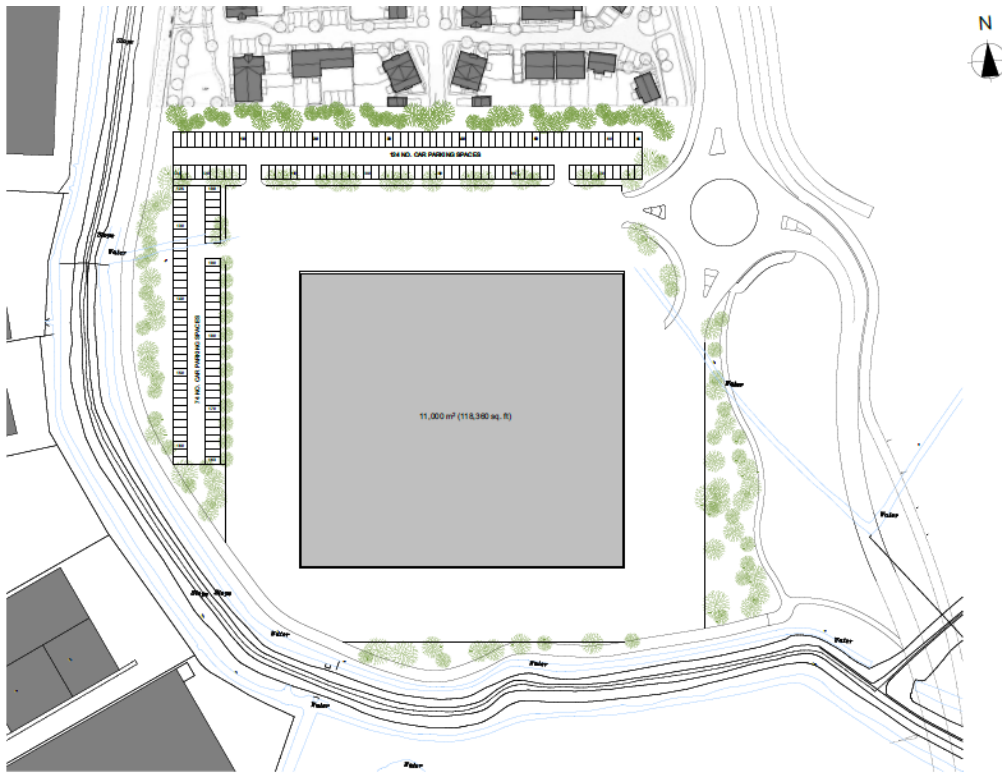
C2C Call for Growth Projects

- 3.37 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, signalling Government's intention to launch a future round of funding to deliver growth projects.
- 3.38 On 22 December 2015, C2C launched a call for Growth Projects for "if and when" future Government funding becomes available, with a deadline for applications of 31 March 2016.
- 3.39 On 26 January 2016, the Board endorsed the projects shortlisted for this call from the Greater Brighton Project Pipeline as follows:
- Worthing Central (Phase One)
 - Shoreham New Monks Farm and Airport Business Estate
 - Decoy Farm, Worthing
 - Waterfront East – Infrastructure, Brighton
 - Royal Pavilion Estate, Brighton
 - City College Brighton and Hove City Centre Campus Redevelopment
 - Bio-Innovation Centre, Brighton
 - Beach Road Eastside Business Park, Newhaven
 - Burgess Hill Growth Area – Infrastructure Package (including Sustainable Transport)
 - Burgess Hill Growth Area – Science & Technology Park
- 3.40 The Greater Brighton Project Pipeline is a 'live' document and since the last meeting of the Board, two new projects have been identified and prioritised for this call.
- 3.41 The first project is South Site, Brighton Marina which will be applying for an estimated £10-20,000,000 of LGF funding (the figure is subject to ongoing feasibility and design option work). The project, which has a total cost of approximately £300m, will deliver a mixed-use redevelopment that will comprise circa 1,000 residential units (minimum), replacement leisure facilities amounting to circa 16,500 sqm, a podium structure with car parking beneath to replace the multi-storey car park plus public realm. The project is estimated to generate approximately 385 operational jobs per annum, 375 construction jobs per annum over an 8 year build period and 565 further indirect / induced employment over an 8 year build period.
- 3.42 The second project is Eastside North, Newhaven. The project is seeking £2,862,750 of LGF funding, 19% of the total development cost. Eastside North offers an opportunity to develop a major logistics and distribution centre of around 11,000m² in Newhaven. This proposal will create substantial employment and training opportunities and play an important role in delivering the newly designated Enterprise Zone. The site is designated for employment use, but is currently greenfield. The LGF funding requested will cover essential infrastructure costs, including land contamination, roads and utilities services and

associated works supply to open up the site for such new employment floorspace.



- 3.43 The site is part of a mixed-use scheme including a substantial residential element. Following the withdrawal of the end user for the retail element, the site has lain dormant. There is no prospect of attracting a replacement retail occupier to this site. A number of potential occupiers have been deterred for viability reasons as there is a need for extensive piling due to methane gas issues.



3.44 The new scheme identified will be operationally viable and has generated strong interest from a number of potential occupiers. LGF funding is being sought to help address the viability of constructing this facility.

3.45 As part of the Budget on 16 March 2016, the Chancellor confirmed that Government will be launching a further round of Growth Deals of up to £1.8b, building on the £7.7bn already announced. Further details are due to be released shortly.

3.46 On 23 March 2016, C2C confirmed that they are extending the deadline for applications to 29 April 2016.

2016 Budget Summary

3.47 On 16 March 2016, the Chancellor delivered his budget speech. The key points that relate to the economic growth agenda can be summarised as:

- New threshold for small business rate relief will be £15,000 from April 2017.
- Commercial Stamp duty will have 0% band for properties up to £150,000 from midnight on 16 March 2016.
- £700m extra will be set aside for flood defences.
- Further Devolution Deals were announced in the East of England, Greater Lincolnshire and the West of England.
- Criminal Justice powers will be transferred to Manchester.
- GLA will retain all business rates from April 2017.
- Government will commission Crossrail 2 linking North and South London.
- All LEPs will be required to have a nominated Small Business Representative on their board, to ensure that the voice of small business is clearly heard.
- Government confirmed the next round of the Coastal Communities Fund will open for applications in Summer 2016.

- HCA will work in partnership with Network Rail and local authorities to bring forward land around stations for housing, commercial development and regeneration. Proposals for specific vanguard sites will be brought forward shortly.
- Employers will receive a 10% top up on Apprenticeship Levy contributions to pay for training.

4. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 4.1 This report provides updates on the progress of a number of projects each with individual sources of funding from both government sources and external partners.
- 4.2 Each project will be subject to individual business cases that consider the financial benefits and risks associated with the relevant project, The financial implications relating to each of the projects in the programme have been reported individually at various stages and considered by their lead bodies and updates will be presented to the Board throughout the year.
- 4.3 The government announced in November 2015 the continued investment in Local Growth Fund to 2020/21 of up to £12b. The Board has identified a list of projects through the Greater Brighton Project Pipeline in sections 3.39 and 3.40 that it wishes to support through this funding. Further updates on individual schemes will be presented to this Board and all schemes will be subject to detailed business cases being submitted.

*Finance Officer Consulted: Rob Allen, Principal Accountant
Date: 05/04/16*

Legal Implications:

- 4.4 Funding Agreements relating to these projects have been entered into or will be required to be entered into to enable the respective grant monies to be released.

*Lawyer Consulted: Bob Bruce, Deputy Head of Law BHCC
Date: 05/04/16*

Equalities Implications:

- 4.3 None. As the business cases for individual projects are developed, lead partners will be asked to develop an Equality Impact Assessment for their projects as appropriate.

Sustainability Implications:

- 4.4 None arising from this report. Sustainability issues will be addressed on a project by project basis.

Any Other Significant Implications:

4.5 None

SUPPORTING DOCUMENTATION

Appendices:

None

Background Documents

None

| | | | |
|-------------------------|---|--|---------------------|
| Subject: | Update on Greater Brighton City Region Devolution Deal | | |
| Date of Meeting: | 19 April 2016 | | |
| Report of: | Chair, Greater Brighton Officer Programme Board | | |
| Contact Officer: | Name: | Nick Hibberd | Tel: 29-3756 |
| | Email: | nick.hibberd@brighton-hove.gov.uk | |
| LA's affected: | All | | |

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

- 1.1 This paper provides an update on progress with the Greater Brighton Devolution Deal since the last meeting of the Greater Brighton Economic Board (GBEB) in January 2016. There will be a presentation at the GBEB meeting on 19 April 2016 to accompany this paper.
- 1.2 In summary, good progress is being made in developing the specifics of the devolution “asks and offers” and the City Region has held constructive discussions with government officials. Government is currently giving priority to those devolution proposals that are offering an elected Mayor and, as the GBEB has yet to refine its governance options, the timetable for signing the Greater Brighton Devolution Deal will be extended. Three Southern Counties (3SC) are also on a longer timeframe.
- 1.3 Whatever the outcome of the devolution agreement struck with Government, the collective work by the Greater Brighton partners since September 2015 has helped shape an exciting growth programme for the City Region, which will stand the GBEB in good stead for the future.

2. RECOMMENDATIONS:

2. That the Greater Brighton Economic Board :
 - 1) Note the overall progress of the Greater Brighton Devolution Proposals since the 14 January 2016 Ministerial challenge session and the updates from the five work stream.
 - 2) Note the draft proposals for:
 - The outline of the Strategic Transport Partnership which is subject to further discussion with 3SC
 - The Brighton Mainline (BML) Task Force
 - The Greater Brighton City Region (GBCR) Digital Strategy
 - The approach to creating a new digital infrastructure
 - The drive to implement university led, innovation driven growth
 - 3) Agree the approach and timetable for consideration of governance issues

- 4) Note the timetable for the next six months
- 5) Note that further resources will be needed to complete and implement the Devolution Deal – to be proposed for decision in the separate overall GBEB budget paper.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The Greater Brighton devolution proposal was submitted on 04 September 2015 – the document can be found [here](#). The first major hurdle was to develop the City Region's proposals sufficiently to present them at a Ministerial challenge session, which happened on 14 January 2016. The brochure developed to leave with the Minister can be found [here](#).
- 3.2 The GBEB positioned Greater Brighton as a high growth, high innovation economy and particularly picked out the creative digital economy as driving the future of the City Region. This appeared to strike a chord with the Minister and has certainly been positively received by officials. It marks Greater Brighton out as different from many other devolution proposals. The GBEB also emphasised the true functional economic area of the City Region and its ability to grip the issues that need to be addressed and the coherence of the partnership across public, private and education sectors.
- 3.3 Since the Ministerial challenge session, a number of meetings with the Cities and Local Growth Unit and other officials, including Department for Transport, have been had and also working groups have been held. The City Region has work streams and working groups running for Housing and Growth Sites; Transport; Digital, Arts & Culture; Enterprise and Innovation, and; Skills. For each officers have taken the feedback from officials and to work on the specifics of the proposals which will get the City Region into "Deal territory". An updated summary of the "Offers and Asks" is at [Annex 1](#) and progress is summarised in the next section of this paper.
- 3.4 Throughout this process the City Region has kept in close contact with 3SC. Officers have had regular fortnightly catch-up sessions with their core officer team and there have been two joint transport meetings. In addition, 3SC transport officers are members of the GBCR Transport working group and the 3SC digital lead officer is also on the GBCR working group. Coast to Capital LEP are also active members of the GBCR working groups.
- 3.5 Three new devolution deals were announced in the Budget on 16 March 2016 for East Anglia, Greater Lincolnshire and West England. All are proposing elected Mayors. The Budget also announced that Mayoral devolution areas will get more control over growth and transport funding:

Previously agreed mayoral devolution deals will also each receive un-ringfenced single pots of funding to spend on local priorities, worth £2.86 billion in total. This flexibility will allow areas to take more control over strategic investment. The single pots will initially include a five-year settlement rolling together existing transport funding, gainshare investment funds and Local Growth Fund allocations. This will be supplemented in the future with further flexibility over central government funding. The Bus Service Operators Grant will also be devolved to areas that adopt bus franchising, and the Adult Education Budget will be included in the single pot from 2018-19 for those areas with devolved adult skills arrangements
(Budget Statement, March 2016)

- 3.6 Also of interest from the Budget for funding the Greater Brighton programme was the announcement of a further £3.8 billion of Local Growth Funding, as follows:

- *up to £1.8 billion will be allocated through a further round of Growth Deals with Local Enterprise Partnerships later this year. The government will announce further detail on the process for the next round of Growth Deals soon*
 - *a further £2 billion of the Local Growth Fund is being allocated through the Home Building Fund. This programme provides finance to developers to unlock large housing sites and bring forward the necessary infrastructure that large house building projects require*
- (Budget Statement, March 2016)*

WORK STREAM PROGRESS

- 3.7 The current position on each work stream is summarised below, with attached papers where relevant.

Housing and Growth Sites

- 3.8 Government expects every devolution proposal to include significant commitments to housing numbers - even if the chosen focus of the Deal is not housing, it is a condition of progression. In the GBCR prospectus the GBEB committed to 22,500 homes in ten years. This is within existing Local Plan numbers, but represents a 55% uplift in the current rate of completions. To achieve this target the City Region would need to do everything it can in terms of finding and bring forward sites, dealing with blockages such as transport and other infrastructure, ensuring a flow of finance and developing new delivery mechanisms. The City Region has been clear with officials that it would also need ALL of its Devolution Deal asks to be granted to be able to achieve the target, including raising the HRA borrowing cap, flexibility in the use of Right to Buy Receipts, better access to surplus sites from national public bodies and certainty over HCA funding.
- 3.9 While Government's focus has been very much on housing, the City Region has been at pains to stress the need also for employment space of all different sorts. The proposed City Region programme includes the Newhaven Enterprise Zone and creation of the new Bio Innovation Centre at the University of Sussex, among other sites which will create 455,000 sq metres of employment space.
- 3.10 After initial discussions, the City Region was not unreasonably asked to show how each of its proposals and asks of Government come together to deliver the increase in housing completions and overall numbers – what they call a “layer by layer” plan. This is a complex plan to construct, as it needs to combine all the different elements of the City Region plans and also reflect what the market would deliver if left to itself without any intervention. This plan is summarised in the table attached as Annex 2, and includes our estimates of the numbers which would flow from the various elements of the plan:
- Larger sites unblocked through investment in transport or other infrastructure
 - Sites which need funding intervention from Local Growth Fund to be deliverable – site assembly, decant, incentives for owners, decontamination
 - Station sites for development with HCA and Network Rail
 - HRA borrowing uplift
 - Living Wage homes
 - New surplus public sites not currently on our radar
- 3.11 There is pressure from Government to identify Starter Homes on all sites. The City Region is working on the figures currently but to satisfy Government will need to find 2,000 over the next 5 years. In common with 3SC the City Region is arguing that first time homes need a mix of tenures, not just outright buy, and this is one of Greater Brighton's devolution asks.

Transport

- 3.12 The transport proposals are in three groups.

Strategic Transport

- 3.13 This needs to be planned over a wider geography and over a long time frame. The GBEB agreed that this work would be joint with 3SC and would seek to maintain the momentum of a number of recent infrastructure studies, including the GBEB NLP work from last year.
- 3.14 Since the devolution proposals were submitted in September 2015, Government has introduced Sub National Transport Bodies (STBs) via the Cities and Local Government Devolution Act 2016. STBs will develop transport strategies for their area and, if the component authorities wish it, take on other transport functions. The legislation is permissive in that it invites groups of authorities to make proposals to Government for the geography and functions of the STBs. STBs will be “bodies corporate”, but not Combined Authorities as that would create problems for other aspects of devolution governance given that under current legislation an authority may only be member of one Combined Authority.. From the City Region’s meeting with Department for Transport, it is clear that Government expects to see complete coverage of the country by STBs by the end of this Parliament, and that the geographies will be large – perhaps just three around London. It may take some time to establish these STBs – the earliest for the South East might be fully up and running in 2018.
- 3.15 Whatever the City Region agrees with 3SC as an interim position, regard needs to be had to the inevitability of the Region eventually coming within a STB which will cover a larger area. As the City Region and 3SC would lose much momentum by waiting for the STB to be formed, it is proposed as part of the devolution deal to continue with the proposal to establish a strategic transport partnership with the 3SC authorities, Network Rail, Highways England (HE) and Department for Transport (DfT). The principle is that all the bodies who need to be involved are round the table and participating in the decisions about priorities.
- 3.16 A draft note of the purpose, objectives and membership of such a strategic transport partnership is at Annex 3. This has been shared with 3SC colleagues and, subject to agreement and amendment by GBEB and 3SC, will be put forward to Government as part of the Devolution Deal. The formation of such a partnership tasked to take the long-term strategic view, may have consequences for the Coast to Capital Local Transport Body, which currently is mainly concerned with the short-term delivery of the Local Growth Fund projects, but which includes some members of the proposed new grouping.
- 3.17 Greater Brighton has a particular strategic transport issue with the Brighton Mainline (BML). Short and long term improvements to BML were a key feature of the GBCR devolution proposal in September 2015. The chronic issues of BML and the knock-on effects across the whole network have been highlighted by MPs, passenger groups, business groups and local elected Members. A draft proposal has been created for a BML Task Force – analogous to the A27 Action group which was very effective. The draft proposal is at Annex 4 and, subject to amendment and agreement by GBEB, will be shared with MPs and neighbouring authorities and put to Government as part of the Devolution Deal.

Local Transport Infrastructure and sustainable transport

- 3.18 Greater Brighton is proposing a package of local transport infrastructure improvements that will directly unlock new homes and employment space. The projects concerned are already in the GBEB Investment Programme Project Pipeline. The City Region is also proposing an ambitious package of sustainable transport investments, spreading cycling, walking and greater use of public transport across the City Region, and contributing to tackling air quality problems.
- 3.19 As part of the Devolution Deal the City Region is seeking delegation of Local Growth Funding and sustainable transport pots to the GBEB to create a 5 year investment fund of £50m. The current thinking on what would be included in the programme is shown in the table below, but the principle is that the GBEB would have flexibility to manage the programme but be accountable for the outcomes delivered.
- 3.20 In the City Region's discussions so far with DfT, they are attracted by the idea of packages of investment, rather than approving individual projects. Greater Brighton's success in winning the 5 year funding commitment will depend on winning via Coast to Capital LEP a share of the Local Growth Fund which was announced in the Budget in March 2016. Business cases are already being created for some of these projects.

| Package of transport projects to unlock jobs, homes and SQM: <ul style="list-style-type: none"> - 8,000 jobs - 7,000 homes - 250,000 sq m employment space - Match funding of £80m - Leverage of other investment £1 bn | Package of Sustainable Transport Projects which support growth of 37,000 jobs and increased population of 103,000 by 2030 |
|---|--|
| A27 Junction, Lancing | Park and Ride |
| Shoreham Area Transport Package: <ul style="list-style-type: none"> - A259/A283 junction - A27/A283 junction - A259 Cycle route: Hove to Shoreham | Waterfront Bus Coastal Transport System Burgess Hill Sustainable Transport Package |
| Waterfront Central – Gateway to the Sea: <ul style="list-style-type: none"> - Queens Road - A259/West Street | Toads Hole Valley Sustainable Transport |
| WaterFront East <ul style="list-style-type: none"> - Madera Drive - Dukes Mound | Public transport Interchanges: |
| Waterfront East <ul style="list-style-type: none"> - Infrastructure | Cycling infrastructure: <ul style="list-style-type: none"> - Cycle Hire scheme –spread across the City Region - Cycle Route development, including creation of new segregated routes - Completion of NCN2 along the coast - Cycling infrastructure, including safe cycling parks, and junction developments - Development of electric bike infrastructure and inclusion in the cycle hire scheme as a pilot - Cycle hubs at public transport interchanges across the city region |
| Burgess Hill Link Road | |
| Toad Hole Valley access – Hangleton Junction A27 | |
| | Air Quality measures for AQMAs: <ul style="list-style-type: none"> - Bus retrofit - Hybrid/electric buses Traffic management |
| | EV infrastructure: <ul style="list-style-type: none"> - E Taxis E car club |

Effective Transport Network

- 3.21 The City Region's transport network could be made to work more effectively and officers are developing a programme which involves:
- Making more of the bus network, making it "an Underground on the Coast" with improvements in route legibility across the City Region. Also improving the attractiveness of bus travel by completing the roll out of wifi, USB charging points, real-time information and investment in bus stops. The bus companies are already investing in these improvements.
 - Making more of route planning apps and websites to make door to door, multi-mode travel easier and more attractive
 - City Region wide real time information and network management
 - Extension of the e-ticketing pilot to cover all modes and the whole City Region, and in a second phase in collaboration with 3SC to cover the whole of the two devolution areas.
- 3.22 The ask via the Devolution Deal for this part of the programme is relatively slight – it is more about what Greater Brighton can offer. The City Region is, however, seeking further funding from DfT for the extension of the e-ticketing pilot. A plan for the roll-out is in development.

Digital and creative sector

- 3.23 Ed Vaizey, the Minister responsible for digital affairs has indicated that the new Government Digital strategy will include four priorities: support for innovation and the digital economy; transforming government; impact on everyday life, and; digital connectivity. The GBCR devolution proposals address all four of these issues, and the digital element of the programme has been well received so far. The City Region is making progress as follows:
- 3.24 *Greater Brighton Digital Strategy* – digital, in all its manifestations, is such a central strand of the GBEB programme, that it is proposed that the City Region should have an overarching strategy to provide a "guiding mind" and set a high ambition. A two page outline of what this should include has been developed and is at [Annex 5](#).
- 3.25 *CDIT sector* – led by Phil Jones, Managing Director of Wired Sussex, the City Region is developing a devolution proposal that would create a Greater Brighton Creative Industries Council, which would bring a focus to the many fragmented aspects of support currently available from Government. Greater Brighton will need the support of Government via the Devolution Deal to bring the bodies to the table.
- 3.26 *Arts, Culture and Heritage* – likewise, to bring together all the regional and national bodies that fund this important sector of the GBCR economy so that priorities and resources can be concentrated.
- 3.27 *Digital public service reform and smart city* – the local authorities are collaborating on how to use digital techniques to not only make savings for the public purse, but to also increase engagement with businesses and citizens. The Digital Catapult Centre has developed a project which will look at all the data available across all parts of the City Region – public, business, individual. This "Mind of the City" project will support public service reform and the wider objectives, and also seek commercial opportunities for the businesses working with the Catapult.

- 3.28 *Digital Infrastructure* – the aim for Greater Brighton is to be the best connected city region in the UK, with ultrafast (1 Gbps) available in nearly all urban locations, and superfast (30Mbps) in the rest. The approach adopted includes a number of technical and business solutions and which deliberately stimulates an open market – thereby meeting a concern of Government. It proposes extensive collaboration between the public and private sectors. The Executive Summary from the initial report which examines both technical and business model solutions in at Annex 6. A summary diagram is below.
- 3.29 The Devolution Deal ask for this element is significant. Greater Brighton is asking Government: to devolve or deploy the funding available for broadband roll-out, so that the City Region can use it in a more flexible way; to get access to the new Broadband Investment Fund, and; for active Government support to overcome state aid issues, which are often used to close down competition rather than open it up. The South West was allocated £14.5m grants for ultrafast broadband in the Budget, and we are seeking the something similar.

| | |
|---|---|
| <p>Why</p> <p>Our 2 priorities are:</p> <p>Growing the digital economy</p> <p>Effective public service delivery</p> <p>Our objectives match the <i>4 pillars</i> of the Government's Digital Strategy:</p> <ul style="list-style-type: none"> • Stimulate our leading Creative Digital & IT sector and develop the GBCR digital economy - by <i>unlocking digital growth</i> in all firms • Re-engineer public service delivery - <i>transforming government</i> • A better quality of life for citizens - <i>transforming everyday life</i> • World leading digital connections <p>In pursuing these objectives we will be <i>Building the Foundations</i> for our digital future in Greater Brighton</p> | <p>How</p> <p>We will adopt 3 approaches supporting our actions:</p> <ol style="list-style-type: none"> 1. Aggregating public and private sector demand to leverage investment in new infrastructure 2. Creating new hotspots to drive infrastructure deployment by tackling path dependencies 3. Using a joined up, agile approach where intervention is still needed |
| <p>Our vision has 3 themes:</p> <ul style="list-style-type: none"> • Gigabit broadband in nearly all urban areas and superfast everywhere else • Collaboration in public and private sectors to meet mutual infrastructure needs • A dynamic digital single market animated by SMEs | <p>What</p> <p>Our actions fall into 3 strands:</p> <ul style="list-style-type: none"> • A new pragmatic alliance to organise and leverage public and private sector demand • DX-PoPs connecting key zones through the Brighton Digital Exchange to create hotspots and engage the digital sector • An integrated fund to support digital infrastructure deployment on market principles |

Enterprise, Smart Specialisation and Innovation

- 3.30 The devolution ask for this element of the Greater Brighton programme is for a change to the conditions of the already won Coast to Capital Growth Deal, to allow £5m of LGF to be used for revenue purposes rather than being restricted to capital. This would allow the LEP

to support innovation and business support services and to offer more flexible business finance, in particular in sectors where growth is driven more by knowledge and intellectual property rather than by capital equipment and buildings. Sheffield City Region had a similar flexibility as part of their devolution deal.

- 3.31 The City Region should also now turn to the ambition which emerged during the devolution process - that the Greater Brighton economy should be increasingly based on high tech, high growth businesses, and university led, innovation driven, growth. There are good grounds for this ambition, with well evidenced competitive advantage in four key sectors and a good pattern of support for high growth companies. However, in order to build the economy and reputation of the City Region to be in the same league as Oxfordshire and Cambridgeshire, we need to make more coherent and concentrated use of our available resources, get better leverage from EU and national funding, and ensure we are creating a competitive environment for business investment and growth.
- 3.32 The paper attached at [Annex 7](#) sets out the issues in more detail and makes recommendations for how the GBEB could take on this ambition. The leadership of the universities and the input of the LEP, colleges and sector bodies will be required.

Skills

- 3.33 The skills workstream has four key elements:
- Improving careers advice and interaction with business and enterprise in schools and post 16 education so that young people make choices which align with the skills that City Region employers need
 - Increasing engagement with employers via a new brokerage service. In particular, this will seek to increase the number of apprenticeships by 1,000 in 3 years.
 - A shift in the supply-side of skills training to better reflect the higher level technical skills required by our priority sectors and higher growth companies.
 - Co-commissioning and/or more influence over national programmes aimed at worklessness, with the aim of making better links between work and health.
- 3.34 The City Region's devolution asks are:
- More coherence, less fragmentation in the budget and initiatives aimed at careers advice, business and enterprise in schools.
Devolution of the tail end of the Apprenticeship Grant for Employers to allow Greater Brighton to set up the new brokerage services
 - The City Region has been told that it will not succeed in asking for the new Apprenticeship Levy to be devolved. However, it is seeking engagement and collaboration around the interventions Government will put in place for the unredeemed element of collected levies. Further, the major public employers in the City Region (local authorities, universities, colleges, CCGs) are exploring ways in which they can collaborate, both to make the most effective provision for their own workforces from their levies, and how a collective approach could help the wider workforce of the City Region.
 - Co-commissioning/influence over the contractors for the new national Work and Health training programme.

GOVERNANCE

- 3.35 GBEB is committed via the protocol agreed in September 2015 to work on governance proposals in tandem with 3SC. 3SC have indicated that they will not formally commence a Governance Review until they sign a devolution deal. GBEB has yet to refine its

governance options and the Board needs to start work on this in the near future. There are a range of options of which a Combined Authority for the purposes of economic growth is but one, and which also include GBEB staying as it is currently constituted. A process for working up and considering the governance options has been drafted and it will be considered at a meeting of the five local authority Leaders and CEOs in May 2016. The options appraisal will come to the GBEB at the Board meetings in July and October 2016. **Only** if the GBEB determine to move towards a Combined Authority or any other new model would the formal process towards a change in governance be started.

RESOURCES

3.36 GBEB partners agreed additional resources and funding to work on the devolution proposals. These have been deployed as follows:

- Grant Thornton for work on the 04 September 2015 prospectus
- Respublica for critique leading up to the Ministerial challenge session and development of innovative ideas for housing delivery
- Ian Parkes to support the GBEB Business Manager and partners in working up the devolution proposals
- Community Broadband Network for technical support developing the digital infrastructure proposals
- Design and printing for the 04 September 2015 document and the brochure and infographic for the January 2016 Ministerial challenge session
- Officers from all partners participating in the five working groups

3.37 The current funding and resources were agreed by GBEB to the end of March 2016. There will be a little funding to carry over - £9,899. However, the current contracted resources all finish at that point and GBEB will need to consider how to resources the devolution work in the new financial year. The following is the work to be done:

- Ongoing negotiation with Government of the devolution deal
- Working up the detailed proposals and plans for the devolution programme
- Coordination and servicing of the five working groups
- Delivering the governance options process
- Once the Devolution Deal is signed, project management and coordination of delivery of the programme.

3.38 This is clearly more than the GBEB Business Manager can deliver alone. A separate budget report is being put forward with costings to the same GBEB meeting. However, until the future governance and other arrangements are agreed, it is difficult to achieve any fiscal certainty. given that the GBCR programme which arises from the devolution work will need the following resources:

- A dedicated Policy and Project manager to support the GBEB Business Manager
- External expertise from time to time as required. As the proposals develop, technical input is increasingly required – for example on digital infrastructure, apprenticeship levy modelling, e-ticketing, housing finance and, depending on future governance arrangements, legal
- Leadership for the work streams – this needs to be spread around the GBEB partners
- Officer input to the work streams from all partners.

TIMETABLE

- 3.39 The key milestones for the next six months are in the following table. The timing of the signing of the Devolution Deal is likely to be affected by the EU Referendum in June 2016 and the restrictions on Government announcements in the lead up to elections. We await further guidance on this.

| | |
|--------------|--|
| April 2016 | <ul style="list-style-type: none">– GBEB Board meeting – progress update and agreement of resources– Ongoing development of detailed proposals |
| May 2016 | <ul style="list-style-type: none">– Local authorities agree governance options process– Development of draft Devolution Deal Document with government |
| July 2016 | <ul style="list-style-type: none">– GBEB Board meeting considers emerging governance options– GBEB Board meeting reviews and agrees draft Devolution Deal document– Finalisation of Deal document– Devolution Deal signed |
| October 2016 | <ul style="list-style-type: none">– GBEB Board agrees preferred governance option and process for its implementation– Implementation of GBCR Devolution Programme commences |

UPDATES AND COMMUNICATIONS

- 3.40 The GBEB core team recently did a round of face to face update meetings. Looking ahead, all partners will be kept up to date via the following methods:
- A GBEB website is due to be launched shortly, and papers and updates will be posted there on a regular basis
 - The working groups include all partners
 - The GBEB Officer Programme Board will continue to review the whole GBEB programme, including the Devolution Deal
 - A fortnightly catch up with the five local authorities
 - A newly introduced quarterly meeting of the Leaders and CEOs of the five local authorities to consider those issues which impact only on the councils

SUMMARY OF RECOMMENDATIONS

- 3.41 The GBEB is recommended to:
- Note the overall progress of the GBCR Devolution Proposals since the January Ministerial session and the updates from the five work streams;
 - Note the draft proposals for:
 - The strategic transport partnership with 3SC
 - The BML Task Force
 - The GBCR Digital Strategy
 - The approach to creating a new digital infrastructure
 - The drive to implement university led, innovation driven growth
 - Agree the approach and timetable for development of governance options
 - Note the timetable for next six months
 - Note that further resources will be needed to complete and implement the Deal – to be proposed for decision in the overall GBEB budget paper.

4. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 4.1 There are no direct financial implications arising from this report although a number of significant announcements were made in the Budget regarding potential additional funding of £3.8 billion of Local Growth Funding (see 3.6 above) and announcements that Mayoral devolution areas will get greater flexibility regarding control over growth and transport funding (see 3.5 above).
- 4.2 The Board recognises the continued pressure with regards the shortage of revenue funding to support ongoing investment in the region. The devolution deal in conjunction with C2C supports the proposal that up to £4m of existing Growth Deal funding could be used more flexibly to support revenue costs associated with business growth. This is detailed in Annex 7.
- 4.3 Although there is a potential underspend in the GBEB budget up to the end of March 2016 the continued devolution work requires additional resources to be identified. The nature of the work is identified in section 3.40 above. A further report is presented to this Board on the operational arrangements of the Board which sets out the proposed funding options to support the additional work in the current financial year.

Finance Officer Consulted: Rob Allen

Date: 05/04/16

Legal Implications:

- 4.4 The full legal implications will emerge after the governance discussions referred to in paragraph 3.37 have taken place and will be reported in subsequent reports,
- 4.5 Further to paragraph 3.11, in its consultation paper on the Planning and Housing Bill Government is proposing that 20% of all homes delivered on residential developments should be starter homes only available to first-time buyers under the age of 40, to be sold at a discount of at least 20% of the market price.

Lawyer Consulted: Bob Bruce Deputy Head of Law BHCC

Date: 06/04/16

SUPPORTING DOCUMENTATION

Appendices:

- Annex 1 – Summary of Devolution Asks and Offers
- Annex 2 - Layer by Layer plan to achieve the proposed housing numbers
- Annex 3 – Draft note for the joint strategic transport partnership with 3SC
- Annex 4 – Draft note on setting up Brighton Mainline Task Force
- Annex 5 – Outline of the Greater Brighton City Region Digital Strategy
- Annex 6 – Delivering World class digital connectivity
- Annex 7 – Smart specialisation and innovation

Background Documents

- 1. Greater Brighton Devolution Proposals, September 2015 – website
- 2. Greater Brighton Devolution Presentation, January 2016 – website

Annex 1: Summary of GBCR Devolution Asks and Offers

| Greater Brighton Offers | Central Government Asks |
|--|---|
| TRANSPORT: Addressing capacity, reliability and sustainability issues across the City Region's transport network | |
| Strategic Transport: Bringing together planning, prioritisation and delivery of strategic transport in one place, focusing on the main transport corridors | |
| <ul style="list-style-type: none"> Establish a Strategic Transport Partnership with all national organisations and the Three Southern Counties (3SC) Complete the Long-Term Strategic Infrastructure and Investment Plan | <ul style="list-style-type: none"> Planning, decision making and investment for all strategic transport to be done in one single place Commit to complete current plans for investment by Highways England, Network Rail and Environment Agency, principally the A27 Establish all party Action Group to create and agree an urgent action plan to address capacity and reliability on the Brighton Mainline |
| Local Transport Infrastructure and Sustainable Transport: Delivering the infrastructure needed to unlock housing and employment and stimulating a significant shift away from car journeys to more sustainable forms of transport | |
| <ul style="list-style-type: none"> Sustainable and alternative transport, including a step change in cycling prevalence across the whole City region and better modal interchanges Deliver local transport infrastructure that directly unlock housing and/or employment Develop a Park & Ride Scheme to relieve congestion and improve air quality | <ul style="list-style-type: none"> A fair deal for local transport in the form of a 5-year, £50m commitment to devolve central government funding for transport infrastructure and sustainable transport Growth Deal funding of £5m for the construction of a Park & Ride site and the creation of the necessary bus and cycle priority routes and signalling |
| Effective Transport Network: Making what we have "work better" across the City Region | |
| <ul style="list-style-type: none"> Further develop and roll-out Intelligent Transport Systems across all modes Invest in the City Region-wide bus network Develop City Region-wide routes and improve journey planning Spread e-ticketing, covering all modes across the whole City Region | <ul style="list-style-type: none"> Network Rail and rail operator support for the creation of enhanced public transport interchanges and cycle hubs at railway stations across the City Region Closer relationships with Network Rail, the Department for Transport and train operators to address overcrowding, reliability and performance on the City Region's rail services Department for Transport support to accelerate and extend Brighton & Hove's integrated e-ticketing pilot |

| Greater Brighton Offers | Central Government Asks |
|---|---|
| <p align="center">GROWTH SITES & HOUSING:</p> <p>Increasing the number and range of homes available for our workforce and creating new space for our businesses to start-up and grow</p> | |
| <p align="center">Growth Sites and Public Assets:</p> <p align="center">Identifying and bringing forward surplus public sites and establishing an Investment Fund to enable delivery</p> | |
| <ul style="list-style-type: none"> • Develop a Greater Brighton Housing & Property Investment Plan, building on the Greater Brighton and Coastal West Sussex Local Strategic Statement • Build on the current Property Board to get commitment from all public sector bodies, the Homes & Communities Agency and other Government departments, to secure development of surplus sites • Develop a single approach to a brownfield sites register • Establish the Greater Brighton Investment Fund • Work with the new Homes & Communities Agency/Network Rail organisation to bring forward station site developments to deliver new homes and employment space • Deliver our Enterprise Zone at Newhaven | <ul style="list-style-type: none"> • Give locality the ability to determine local planning fees to enable full cost recovery • Commit to establishing a mandate all national public sector land owners such as the Department of Health and Ministry of Defence to join with local public landowners to find and bring forward surplus sites • Devolve or commit Homes & Communities Agency Funding, as a 10 year revolving fund, to work with the Greater Brighton Investment Fund • Growth Deal funding for a small number of fast delivery prioritised sites, to bring forward homes and employment space in the next 5 years |
| <p align="center">Housing Delivery:</p> <p>Accelerating and surpassing planned housing delivery, creating new mechanisms and vehicles to allow sites to be brought forward</p> | |
| <ul style="list-style-type: none"> • Deliver 22,500 homes over ten years – a 55% increase in completions • Create new mechanisms and vehicles for housing delivery • Deliver 1,000 new homes on a living wage rent and ownership basis • Improve the quality and capacity in the Private Rented Sector • Deliver first time homes initiative across all tenures, include 2,000 Starter Homes | <ul style="list-style-type: none"> • Maximise sites for new homes, including contributing land to assemble larger, more viable brownfield packages of sites • Support Greater Brighton to deliver a range of first time homes, including Starter Homes and self-build • Help build the capacity and supply in the Private Rented Sector, by exploring the option to treat VAT as zero rated on land purchases • Devolve local flexibility for the use of Right to Buy Receipts, to fund more new homes • Raise the cap on HRA borrowing to allow funding for developments for housing • Permit Greater Brighton local authorities to retain a greater proportion of the growth dividend |

| Greater Brighton Offers | Central Government Asks |
|---|-------------------------|
| <p align="center">ENTERPRISE:</p> <p>Developing a coherent package of business support across the City Region, with a focus on priority sectors and input of the universities</p> <div> <div> <ul style="list-style-type: none"> • Maintain and enhance our Navigator Growth Hub • Create a coordinated programme of business support, drawing together all available funding • Develop a highly targeted programme of support for high growth, high innovation businesses in the City Region's key sectors, working with the City Region's two universities and local and national services • Promote international trade, working with UKTI • Build on our Business Finance initiatives with Coast to Capital, offering loans, grants and equity funding • Deliver supply chain initiatives to help smaller firms grow their markets • Deliver the Bio-Innovation Facility on the University of Sussex's Falmer Campus, with £60m investment from the University </div> <div> <ul style="list-style-type: none"> • Greater influence over the UKTI service in the City Region • A £5m derogation from the capital expenditure-only requirements of the Local Growth Fund to create a revenue stream to support the Growth Hub development and business support more generally. <i>This has been granted for the Sheffield Devolution Deal</i> • Ring-fenced retention of business rates at growth centres that can be invested to support growth • Examine and rationalise all enterprise funding streams as part of a joined-up approach to Enterprise and Innovation support • Local Growth Funding of £9.1m for the creation of the Bio-Innovation Facility </div> </div> | |
| <p align="center">DIGITAL:</p> <p>Ensuring continued investment in broadband and mobile connectivity to enable the City Region's communities to be fully inclusive and businesses to be globally competitive</p> | |
| <p align="center">Digital Infrastructure:</p> <p>Implementing the infrastructure to match the City Region's ambition – digital is one of the City Region's strongest USPs</p> <div> <div> <ul style="list-style-type: none"> • Create a mixed, market-based solution to deliver ultrafast in all business and urban areas and superfast to rural and hard to reach areas and develop "final stretch" solutions for difficult to reach areas </div> <div> <ul style="list-style-type: none"> • Devolve Broadband Delivery UK and Department for Culture, Media & Sport's Next Generation Access investment and incentive budgets to deliver faster speeds to a shorter timescale Access to the new Broadband Investment Fund to deliver better connectivity for the same money </div> </div> | |
| <p align="center">Digital Smart Specialisation:</p> <p>Supporting the City Region's £1bn Creative Digital & IT sector, keeping it at the leading edge of developments and pioneering new digital delivery models to aid public service reform and delivery</p> <div> <div> <ul style="list-style-type: none"> • Deliver the Digital Catapult Centre Brighton and establish two 5G test hubs, ready for the launch of 5G in 2020 </div> <div> <ul style="list-style-type: none"> • Support the Greater Brighton Creative Industries Council, mirroring the national body set-up by the Department for Culture, </div> </div> | |

| | |
|---|---|
| <ul style="list-style-type: none"> • Generate £2m of additional income for the Digital Catapult Centre Brighton over 5years • Create a Greater Brighton Creative Industries Council which will focus all the strands of activity which support the CDIT sector. | <p>Media & Sport</p> <ul style="list-style-type: none"> • Put the Digital Catapult Centre Brighton on a sounder financial footing, investing £1m over three years • Put Greater Brighton City Region partners in the driving seat for the research and innovation audits |
| <p>CULTURE, ARTS AND HERITAGE:</p> <p>Ending year by year fragmented bidding for this sector, which draws in visitors, creates jobs and is an essential element of the City Region's CDIT sector</p> | |
| <ul style="list-style-type: none"> • Create a multi-agency coordination mechanism for existing grant funding streams • Continued development and investment in green infrastructure and environmental assets, enhancing the leisure and recreation offer of the Brighton & Lewes Downs Biosphere and the South Downs National Park to residents and tourists • Deliver a programme of initiatives needed for a world-class natural environment for residents and visitors, including investment in new leisure, tourist, and interpretive facilities | <ul style="list-style-type: none"> • Devolve powers to convene public and quasi-public service bodies, including the Heritage Lottery Fund, Coastal Communities Fund and Arts Council England, to jointly determine funding applications • Continue to fund projects and support initiatives from the Greater Brighton partners that promote the functions of the Biosphere Reserve and aims and purpose of the South Downs National Park |

| Greater Brighton Offers | Central Government Asks |
|--|---|
| SKILLS: Making better use of our skilled and qualified workforce and ensuring that every young person can find a job and career that provides stretch and reward Improving careers advice, increasing apprenticeships and making the further education, technical and vocational skills system work better | |
| <ul style="list-style-type: none"> • Establish an Employers Skills Board • Create a Greater Brighton Education & Skills Promise, to provide seamless education and skills pathways • Set-up a Greater Brighton skills and employer brokerage, putting employers in the driving seat • Maximise the resources across the adult skills sector, promoting greater efficiency and better links between providers and employers • Reduce to zero the number of young people not in education, training or employment | <ul style="list-style-type: none"> • Devolve all careers and associated funding to end fragmentation • Devolve the remainder of Apprenticeship Grant for Employers and collaborate on the use of unredeemed Apprenticeship Levies • Put local devolution partners in the driving seat for implementing the Sussex Post 16 Education & Training Review findings • Devolve commissioning and accountability for the Work & Health Programme and other worklessness programmes |

Annex 2: Layer by Layer Plan for housing delivery

Objectively Assessed Needs and Housing Targets and Delivery

The information for the greater Brighton City Region, drawn from the Local Plans is:

| LPA | OAN (net, dpa) | LP Target (net, dpa) | Previous LP Targets annualised | Completions 2010/11-2014/15 (net, dpa) | Average Annual Completions 2014/15 (net, dpa) |
|-----------------|-------------------|-------------------------|--------------------------------------|--|--|
| Adur | 291 | 180 | 112 | 119 | 96 |
| B&H | 1500 | 660*** | 470 | 397 | 581 |
| Lewes | 520 | 345*** | 220 | 204 | 277 |
| Mid Sussex | 695 | 800*** | 685 | 523 | 630 |
| Worthing | 636 | 200 | 200 | 230 | 351 |
| TOTAL GB | 3642 | 2185 | 1687 | 1473 | 1953 |

* excludes SDNP

*** Provisional figures

There is a significant increase in annualised targets across the Greater Brighton area compared to the most recently adopted housing targets in earlier Local Plans – the current housing targets represent a 30 per cent increase

Devolution proposals

The Greater Brighton devolution proposal on housing was 22,500 homes over a 10 year period, which represents a 55% increase on the current rate of completions.

To achieve this, our current estimates (March 2016) are as follows:

| Summary based on known sites in the SHLA | |
|--|--------------|
| No intervention required | 8019 |
| Decontamination | 682 |
| Flood infrastructure | 2191 |
| Transport Infrastructure | 7987 |
| Development Finance | 945 |
| Site Assembly | 2197 |
| Decant/owner reluctance | 1348 |
| Other | 655 |
| TOTAL | 24024 |
| PLUS estimates for other initiatives | |
| Sites not yet on radar | 500 |
| Station NEI - Newhaven | 50 |
| Brighton | 700 |
| Living Wage NEI | 500 |
| PRS initiatives | To follow |
| HRA Uplift NEI | 333 |
| TOTAL TOTAL | 26107 |

Annex 3: Strategic Transport Partnership with Three Southern Counties

N.B. This draft proposal is subject to further discussion and agreement with 3SC

1. We need strategic transport infrastructure that will ensure the south of England remains a driver of economic output and prosperity for the UK. We need strategic transport infrastructure to allow for the growth in jobs, homes and productivity that we can deliver for the UK. Not investing in our transport will lead to a gradual loss of economic vitality our region.
2. Under an MOU agreed in September 2015 Greater Brighton Economic Board (GBEB) and Three Southern Counties (3SC) are committed to working jointly on strategic transport issues. Both devolution proposals submitted in September 2015 included a commitment to developing a long term infrastructure investment plans.
3. In preparation for the Ministerial challenge sessions in January 2016, this principle was developed further to include a common commitment to establishing a partnership arrangement with the LEPs and national bodies. This would allow decisions on long term strategic transport priorities to be taken in one place by all the bodies involved, rather than local partners and authorities having to argue the case with a succession of government departments and national bodies.
4. The reason for proposing a new strategic partnership is that currently there is no joined up thinking or long term planning for strategic transport in our region that goes across all modes of transport. We have to make separate and disjointed proposals and submissions to Network Rail, Highways England and DfT, who are often working to different timetables and different performance indicators and targets. We also have to separately speak to train operators and bus companies. This is no way to deliver the transport infrastructure that is needed – nor to get the best value for money from scarce resources. We want the planning, decision making and investment to be done in **one single place with full involvement of the all the regional and national bodies.**
5. Three Southern Counties and Greater Brighton Economic Board want to establish, with Government's help and endorsement, a strategic transport partnership which will initially guide and steer the completion of our long term strategic transport infrastructure plan but then go on to agree with all parties around the table the necessary proposals and investments to deliver the plan. This would incorporate agreed proposals from HE and NR, rather than having to be subject to separate special pleading to those bodies.
6. Since the devolution proposals were submitted the Cities and Local Government Act has come into being, allowing for the establishment of Sub National Transport Bodies (STB). DfT eventually see these as covering the whole country, so any strategic transport partnership that is established now by GBEB and 3SC must have regard to the coming of a STB for the south east.
7. There are a number of current strategic transport studies in development or recently published which would be brought together and considered by the partnership, including studies by Coast to Capital, the GTV4 group of LEPs, GBEB, ESCC, WSCC and Surrey CC.
8. Greater Brighton City Region has a narrower and specific interest in the issues of capacity and reliability on the Brighton Mainline and has made a separate proposal to establish a BML Task Force to get agreement on short, medium and long term improvements.

Purpose and mandate of the Partnership

9. The purpose of the strategic transport partnership is joint strategic planning by the local stakeholders together with DfT, Network and Highways England on the national transport

infrastructure. The partnership will be responsible and will be mandated by Government via the two devolution deals for delivering:

- A coordinated and long term transport and infrastructure strategy for the region which will cover all modes of transport. This will focus initially on the strategic transport corridors including M23/BML; A27/EW Coastway; SW M25 quadrant/NDL; A3/M3 and other strategic transport corridors and infrastructure identified in the various recent studies.
- A coordinated investment plan identifying critical infrastructure improvements and the growth that they will deliver/enable.

10. The time period is long term, which is taken to mean to 2050.

Scope

11. In scope would be:

- Current problems and issues with the national transport infrastructure
- Required improvements and enhancements of existing infrastructure and the link to associated growth
- The case for new strategic infrastructure based on a positive impact on growth
- Impacts on local infrastructure of national infrastructure
- All modes of transport including road and rail
- Links to, and requirements of, Gatwick and Heathrow airports
- Links to, and requirements of, Newhaven and Shoreham ports
- Long term plans and investment proposals of Department for Transport, Highways England, Network Rail, and transport operators.
- [Franchise specification and award?]

12. Out of scope would be:

- Infrastructure proposals which are not linked to positive growth impacts
- Day to day transport operations
- Local infrastructure development, except for where it is impacted by national infrastructure

Status

13. The partnership will be a voluntary partnership, pending any move to a Sub National Transport Body, which will be a body corporate. However, the partnership will be recognised by Government via the Devolution Deals as being competent to deliberate on the matters agreed as part of its purpose and scope. The national bodies will be mandated by Government, and agree to be bound by its decisions, in which they will play a full and equal part.

Membership

14. The members of the partnership would include:

Three Southern Counties [1]
Greater Brighton Economic Board [1]
The transport authorities – BHCC, ESCC and WSCC [3]
[Three district and borough representatives] [3]
Coast to Capital LEP [1]
EM3 LEP [1]
Department for Transport [1]
Network Rail [1]
Highways England [1]
Current franchise holders and key transport operators [3]

15. Representatives from the transport authorities will be elected Members.
16. Local authority and devolution body organisations would become formal members of the partnership via their decision making process and their representatives on the partnership would be authorised to commit their organisations.
17. The national bodies including Highways England and Network Rail would be mandated by Government to participate in the partnership and to abide by its decisions.

Decision making

18. The decision making on the strategic priorities must be by consensus. As a voluntary partnership, its members agree to be bound by decisions made, unless they are in direct conflict with the interests of their organisation. There will be a call-in procedure for decisions which any member believe are in such conflict.
19. Members of the partnership willingly accept that priorities will be set according to evidence and impact on growth, and this may mean some locations are prioritised for infrastructure improvements over others. Members accept that investment decisions in national infrastructure will need to follow the normal Government financial cycle and processes.

Frequency of meetings

20. The partnership will meet quarterly.

Secretariat

21. The secretariat for the partnership will be provided jointly by GBEB and 3SC.
22. All partners will make freely available to the partnership their research, evidence, reports and policies which will help and assist the partnership in its purpose.

Annex 4: Brighton Mainline Task Force

The Brighton Mainline is one of the most important links between London and the south east region – connecting the two most important economic regions of the UK. It has been argued it is no longer fit for such an important purpose, being unreliable and at capacity.

A note on recent performance is at [Appendix 1](#).

This note sets out a proposal to establish a Task Force to address the chronic problems of performance, reliability and capacity on the Brighton Mainline. The inconvenience to passengers and the impact on the City Region economy are well known, but lately there have been increasing calls from MPs, local politicians, business groups and others for action to be taken. Reduced connectivity impacts on current economic activity. Conversely, a better, more reliable Brighton Mainline will enable further growth all along the route.

The options and possible solutions are known and documented in route strategies, plans and reports. What is missing is a clear agreement of which solutions will be adopted, clear commitments that they will be implemented and a published timetable for doing so. Even if some solutions can only be implemented in the medium and long term, their agreement and timetabling, however far off, will be preferable to the current state of uncertainty.

The proposition

A Task Force of MPs, elected Members, business and passenger interests, Network Rail, train operators and others will act quickly to agree the solutions to the problems on the Brighton Mainline, with a proposed timetable for implementation. The establishment of the **BML Task Force** and commissioning of its report would be agreed as part of the Greater Brighton City Region Devolution Deal and adopted by the national organisations and DfT as the agreed programme. Funding for the implementation would need to follow the normal course, but by having an agreed programme of solutions, the necessary promotion and bidding for funding will be more directed and focused, with a much greater sense of urgency.

Task Force Purpose and objectives

The purpose of the Action Group is to bring together all the local, regional and national bodies to agree how the Brighton Mainline and its role in the transport network can be improved to support the economy and growth.

The Task Force will:

- Consider all the issues relating to reliability and capacity on the Brighton Mainline.
- Consider the various reports on performance and the forthcoming Sussex Route Strategy and the report into a second Brighton Mainline route.
- Produce an agreed action plan for short medium and long term solutions.

The output from the Task Force will form part of ongoing Devolution discussions between the Greater Brighton City Region and the Government. It will also be a key programme to be adopted by the new Strategic Transport Body to be established by the Greater Brighton Economic Board and 3SC, which in turn may lead into the new Sub National Transport Body for the south east.

The Action Plan would be made public to demonstrate clear intent to deal with long standing issues.

Scope

The following are all in scope for the work of the Brighton Mainline Task Force:

- Issues of capacity and reliability
- Impact on the wider network

- Alternative relief routes
- Longer term second routes
- Links to strategic rail routes – eg HS 1&2, Crossrail 2.
- Operational Management
- Contractual/Franchising arrangement

The Task Force will consider issues along the routes from the London terminuses through to the coast and across the wider network, including the knock-on impacts on east and west Coastway.

The impact on passengers, business and the economy are all in scope, including losses to output when there are problems and disruption. The particular issue in the visitor economy caused by repeated engineering work closures at weekend will also be in scope.

Out of scope are decisions on funding which will have to be progressed via other channels.

Membership

The Task Force should comprise:

- MPs
- Elected members and senior officials from local authorities
- Greater Brighton Economic Board
- Representative of the Universities
- 3SC
- Coast to Capital LEP
- Gatwick Diamond Initiative
- Network Rail
- DfT
- Train operators
- Passenger interest groups
- Business groups

Frequency of meetings

The Task Force will meet monthly up to the point of producing the Action Plan. Thereafter quarterly.

Chair of the Action Group

The BML Task Force will be chaired by an independent identified by the Greater Brighton Economic Board

Communication and consultation

The policy and research papers to be considered by the Task Force will be made public.

The final report of the Task Force will be published.

The Task Force may have a period of consultation on the options and solutions it is considering.

Timescale

A commitment to the BML Task Force will be included in the Greater Brighton Devolution Deal, due to be signed in Spring / Summer 2016.

The Task Force will be convened in May 2016.

The Task Force will consider the forthcoming Sussex Route Strategy, the report on the second BML route and any other evidence and input from experts from May 2016 to September 2016

The Task Force will deliberate on its recommendations from September to December 2016, including any consultation it deems necessary

The Task Force will report by January 2017.

Thereafter, the Task Force will move into a monitoring role.

Resources and support

Secretariat will be provided by the Greater Brighton Economic Board.

Research and policy papers will be provided by Network Rail and DfT.

Further expert support may be sought from relevant universities, the Transport Catapult and other sources.

Relevant reports and documents

- Greater Brighton Devolution Proposal, September 2015
- Sussex Route Strategy, Network Rail, October 2015
- Report on second Brighton Mainline routes, Spring 2016
- Coast to Capital Strategic Economic Plan, March 2014
- Surrey Rail Strategy

Annex 1

Issues and Performance on Brighton Mainline

EXTRACT from Network Rail Sussex Area Route Study 2015

The Public Performance Measure (PPM)¹ for 2014/15 was 83.1% for Southern, the main Train Operating Company (TOC) on the route, prior to its merger into GTR. This total was impacted by the disruption associated with London Bridge works for the Thameslink programme.

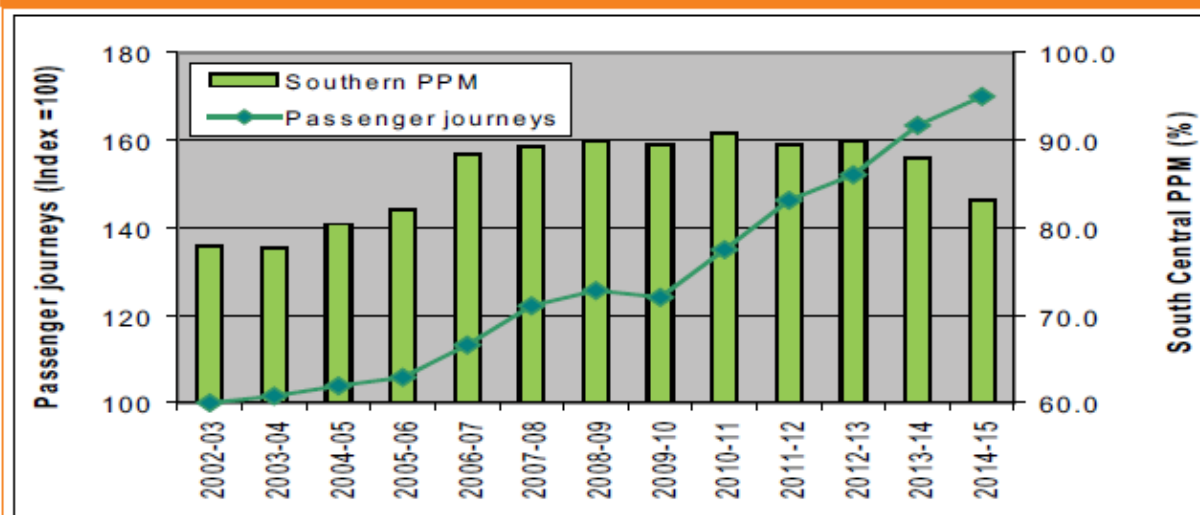
Despite considerable focus over the years on the performance challenge in the route area, the measure has never exceeded 90.7% annually and has generally been around the high 80's in recent years. Pre 2007 PPM levels were consistently lower than this – suggesting there are a number of fundamental factors at play.

Figure 4 sets out historical PPM for the main route operator (was Southern is now GTR) mapped against the surge in demand for use of the railway in the south east over the last 12 years.

The challenge for Network Rail and the Train Operating Companies on the route, day to day, over the last ten years has been to maintain acceptable levels of performance as demand has surged, impacting key drivers of performance such as station dwell times **and leading to the last remaining capacity headroom on the route being utilised as additional services and longer trains have been provided.**

The **December 2018 timetable change is likely to see further increased usage of the BML in the peak hours without any alteration to the infrastructure.** Network Rail and GTR face a significant challenge therefore in maintaining current (pre London Bridge works) performance levels at the end of Control Period 5 (CP5) and into Control Period 6 (CP6). **Recent work on the December 2018 timetable has again highlighted the performance risks of loading more services over the existing flat junctions on the route.**

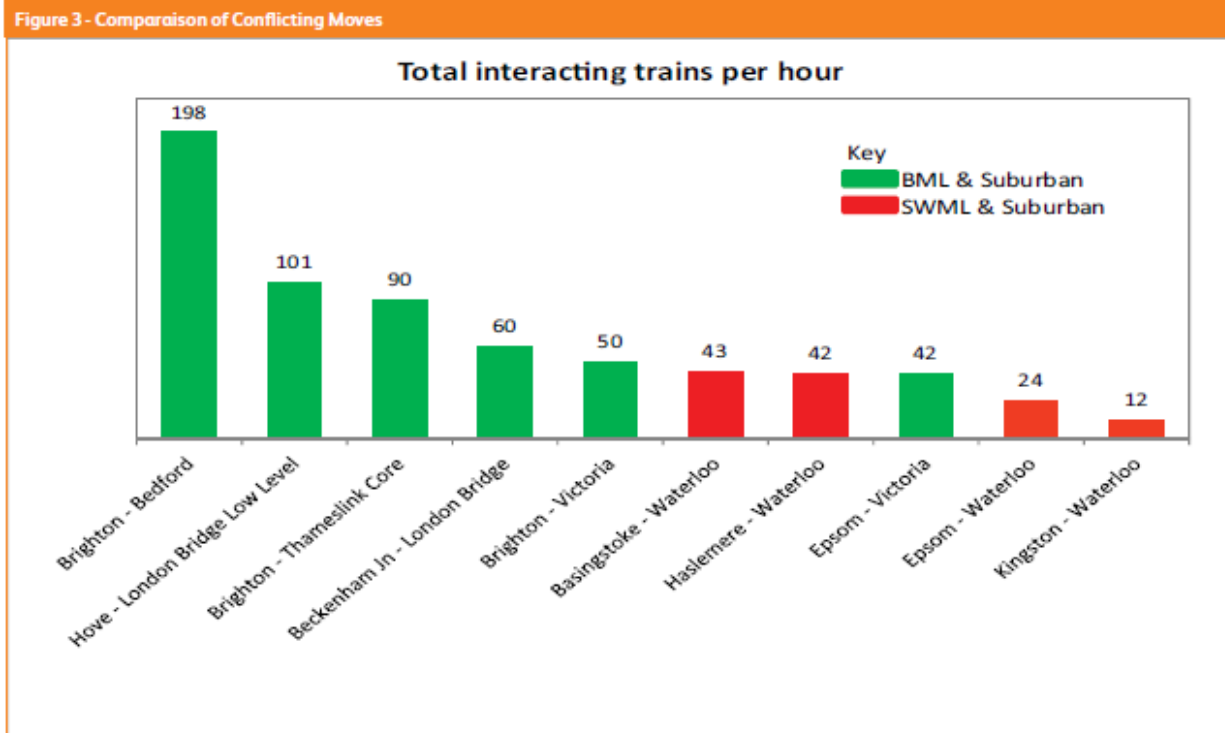
Figure 4 - Historical PPM in the Route Area



The BML and connecting routes differ substantially in layout to most other main lines in the UK. The key difference is the proliferation of flat junctions as opposed to grade separated junctions. This combined with the particularly dense operation of services means the slightest delay in one service group can be quickly transferred – between Up (to London) and Down (from

London) flows, between fast and slow line operations and critically between London Victoria and London Bridge/ Thameslink Core service groups.

To visually illustrate this point, Figure 31 below sets out the number of potential conflicting moves key service groups on the BML and connecting routes can encounter in the high peak hour (HPH, 08:00-08:59 arrivals at London terminal) versus more typical conditions on the Wessex Route (South West Main Line and South West suburban operations).



- Air quality are issue and route to fix each

[...]

What has been highlighted by the various incidents is that even a minor incident can cause knock-on delay to other trains that spreads delay across the network. The sheer number of trains, particularly in the off-peak, has reduced the opportunity to recover the train service, this is exacerbated by the flat junctions across the Sussex Area which result in trains waiting for other trains to cross in front of them, similar to a phased traffic light controlled junction on the roads. Grade separated junctions, similar to motorway flyovers, see these trains traversing physically separated lines and, therefore, not affecting each other, but unfortunately unlike other main line routes in the UK the BML has few of these junctions currently in operation.

The Capacity Gap

The Route Study has taken the South East Market study growth and calculated the number of additional services that would be required to operate on the Fast Lines **to keep seat utilisation down to 100%** on average during the high peak. This analysis indicates:

- 4 -6 additional trains per hour are required by end CP6 – 2023/24 over and above the end CP5 2018 baseline¹
- 6-8 additional trains per hour are required by 2043 over and above the end CP5 2018 baseline.

Operational planning work for the study suggests **if** implemented a set of key Junction and station inventions along the BML would deliver an additional 6 trains per hour in the peak over and above the end of CP5 base. If achieved, this would meet the end of CP6 and end of **2043 Demand forecasts**

Annex 5: Greater Brighton Digital Strategy - outline

Vision

Greater Brighton will be the UK's premier creative digital business location outside London.

We will start, attract and grow high tech, high innovation, high creativity businesses – increasing prosperity, increasing productivity, and reducing inequality. Digital business models, digital service delivery and digital democracy will be all pervasive, and lead to significant reform of public service.

Strategy

To realise our vision we will address four strategic objectives:

A: Grow the Digital economy

- Doubling the size of the CDIT sector from £1bn GVA to £2bn in five years
- A growing band of middle and larger sized companies in the CDIT sector which have grown and stayed, or been attracted to the area as inward investors
- International reputation growing for CDIT business
- Increasing levels of international trade,
- Rising productivity and growth in the non-digital economy arising from digital business techniques
- Doubling the impact of university & business collaboration and research

B: Have world beating digital infrastructure

- Increasing levels of inward investment from firms who need the best digital connections to compete
- A mature and growing market of residents and businesses for high bandwidth services

C: Use digital technology and business models to transform public service delivery

- Cashable savings to the public purse
- Ease of access and reduced transaction costs for businesses, residents and service users
- Improved quality of service, including in health and social care

D: Digital technology to transform everyday life and to reduce inequality and exclusion

- Equality of access to jobs, learning and economic activity
- Increased participation in and influence over decisions in civic life
- Daily life transactions made easier and quicker

How we will do it

Grow the Digital Economy

1. Coherent support entrepreneurs and companies in the CDIT sector and help them capture more value; setting up a “Creative & Digital Industries Council” to unite and focus the efforts of all interested parties.
2. Simulate leading research and innovation and lever the expertise of universities and businesses, including pre-launch development of 5G applications and business models.
3. Connect and network the Greater Brighton digital cluster to other centres of innovation, including Oxford, Cambridge and Bristol – the “Southern Powerhouse”.
4. Make sure there are suitable spaces for digital sector businesses to start and grow across the whole City Region
5. Address skills shortages and workforce productivity issues for the CDIT sector

6. Draw on and stimulate the City Region's unique creativity, and its arts, culture and heritage sector.
7. Stimulating the growth of non-digital business through the adoption of digital business techniques and seizing the opportunity to use digital connections to boost the home based business economy.

Have world beating digital infrastructure

1. Ultrafast connections available for every business in the key CDIT cluster locations at SME affordable prices
2. Rapid implementation of Ultrafast for Newhaven Enterprise Zone
3. Ultrafast (1 gig) available for every business and residence in nearly all urban locations
4. Superfast (30Mbps) as the baseline for every location in the City Region including rural areas
5. Ubiquitous high speed wireless and mobile connections throughout the City Region
6. Be 5G ready

Use digital technology and business models to transform public service delivery

1. Every transaction which a business needs to perform with local government can be done digitally
2. Use digital business models to get rid of silos in local government, reducing costs and providing seamless services to residents and service users - within an individual authority and between authorities in the City Region
3. Widespread data and information sharing between public bodies and public data APIs made available to business and the community
4. A new initiative looking at how digital technology, digital business models and data can help integrate health and social care.

Digital technology to transform everyday life and to reduce inequality and exclusion

1. City Region-wide approach to transport information, traffic and transport management and making it easier for residents, workers, learners, visitors and businesses to move around to where they need to be quickly.
2. City Region-wide approach to use of data to transform a wide range of daily life transactions
3. Use digital technology to allow young people and residents to plan and manage their careers and skills development
4. Use digital technology to stimulate a new wave of engagement and involvement in the life of the community and in civic life, including digital democracy.
5. Become a pioneer in the development of the sharing economy, reducing waste, under-utilisation and reducing carbon emissions

Executive summary

It is now widely recognised that digital infrastructure is a critical factor in the social and economic wellbeing of cities and places. The impact that faster broadband can have on economic growth is now well understood and evidenced¹. Increasingly local and national governments look to digital innovation as a way to save costs and improve services for an ageing population, with consequent demands on digital infrastructure.

It is for these reasons that we want to take responsibility in Greater Brighton for ensuring that we have the best digital infrastructure possible. But it is also because Brighton is the centre of one of Europe's most dynamic, innovative and fast-growing digital-creative and tech sectors.

Infrastructure to support a world-class digital-creative and tech sector means much more than fast broadband. It means ensuring that the SMEs that drive growth and innovation have access to the whole digital value chain, so that as well as benefitting from world-class digital connectivity and services, they play a major role in creating them. A collaborative digital economy thrives on an infrastructure that is neutral and shared. The Internet was built this way, which is why it has been a motor for innovation by small businesses and entrepreneurs on an unprecedented scale.

Our bid to take responsibility for our digital infrastructure focuses on these elements. Our priorities are to unlock digital growth through the digital-creative and tech sector and to focus innovation on improving public services and transforming government.

Our vision is of ubiquitous fast connectivity that will support a single digital market across the city region, not served up on a plate but achieved through widespread collaboration between public and private sector to organise demand and leverage this to attract investment.

If we are to keep pace with cities like Amsterdam and Berlin we need to up our game. We believe public resources will be needed to achieve our objectives but these must be applied in the most effective way.

The rapid growth and development of digital-creative and tech sectors in some cities rather than others has often come from initial, small differences in demand concentrations². This has a consequent impact on infrastructure. Now rapid sector growth; cloud-based applications; the Internet of Things: all these are driving a rapid acceleration in demands on the infrastructure that is pushing capacity towards the network edge. What once mattered to cities will increasingly matter to localities in cities.

This is why we need a pragmatic and agile approach, seizing opportunities as they arise to make small interventions that energise the private sector and overcome path dependencies.

Our approach is based on three elements all designed to maximise the impact of the public resources we will deploy.

- A. Leveraging investment from the private sector to create new infrastructure by organising and aggregating demand and supply from both public and private sectors.
- B. Creating new demand hotspots and providing SMEs with the opportunity to meet that demand. Resolving this path dependency will spread the benefits of the digital-creative and tech growth across the city region.
- C. Where direct intervention is still necessary to overcome market failure, join that up with other actions to maximise impact.

Using these approaches we will act in three strands.

1. We will lead in the creation of a new alliance bringing together public and private sectors, both as users and as suppliers. This alliance will be light and flexible, able to assemble groups of members to resolve particular needs by aggregating demand and supply. It will lower the transaction cost of

¹ Eg Ericsson 2011, <http://www.ericsson.com/news/1550083>

² Alongside other factors like skills and environment - factors that have promoted the sector in Brighton.

collaboration by providing a straightforward legal framework. This alliance will unlock leverage opportunities that currently elude the local authorities acting alone - potentially on a huge scale.

2. We will directly intervene to create a new network of DX-PoPs - Digital Exchange points of presence. This will apply the successful formula pioneered by the Brighton Digital Exchange, creating new shared and neutral points of presence near existing and potential demand clusters. These will serve both public and private sectors, supporting the business case for new otherwise infeasible investments in infrastructure. Because they are shared and linked with raw, passive connections, the exchange points will give SMEs access deeper into the network and hosting stacks than they could otherwise achieve.
3. We will assemble funding sources into a single-minded digital infrastructure fund able to support these strands. By joining up in this way, funding will be applied to complement resources deployed by public and private sector and maximise impact. The larger part of the assembled funds will be invested on the MEO principle alongside 'rolled up' public sector service spend and private investment. An innovative new vehicle, RDI will be empowered to invest in new passive infrastructure, seizing 'dig-once' opportunities, and investing long-term in the passive connections between DX-PoPs - at market rates. RDI will be independent, holding its assets in trust for the mutual interest of public and private stakeholders that buy wholesale access from it.

We think of ourselves as innovators in the Brighton City Region. These approaches and actions however draw on our experience with the LINK public service network and the Brighton Digital Exchange. We draw inspiration from elsewhere in the UK and the world: the importance of neutrality, the idea of holding assets in trust, and the smart use of tools and resources to achieve maximum effect.

The resources we are seeking fall into three groups: assistance from central government, devolved powers and funds.

We'd like help combining our powers and with any new powers needed to effect our dig-once policy and to enable rapid action that is compatible with state aid requirements. We'd like help adapting our strategy to match central initiatives like HSCN. And we are seeking funds to enable us to intervene on the small scale needed for initiatives like the DX-PoPs, and to fund investments by RDI - an industry led body - on the larger scale required to fix not-spots, unlock leverage deals, and link up the DX-PoPs.

Annex 7: Innovation and Smart Specialisation

1. This is an update note for GBEB on innovation and Smart Specialisation, with some suggestions for further development work. We are doing well as a City Region, with many examples of specialist support for growth sectors and cross-sectoral support for innovation. However, there is more to do if we are to meet the very stretching ambition which has been adopted by GBEB.

Background

2. Our devolution pitch to Government has positioned Greater Brighton as a high growth, high value economy, with university led, innovation driven growth at the heart of the future of the City Region. In the pitch to Ministers we suggested that in ten years Greater Brighton's reputation would be akin to that of Cambridgeshire or Oxfordshire. This vision was endorsed by senior leaders from the University of Brighton and the University of Sussex, as well as other senior members of the GBEB Board, and Wired Sussex.
3. There are good grounds for having such a bold vision:
 - We were rated by the Centre for Cities in the top five for jobs growth the last ten years.
 - Our City Region is a great place to do business – recently rated as the best place to start a business in England.
 - We have the highest start-up rate per head of population outside London.
 - Greater Brighton businesses are almost twice as innovation active as the UK average – 67% compared to 37%.
 - The combined impact of the University of Brighton and University of Sussex is £832m GVA added to the UK economy and £419m GVA added to the City Region.
 - There are growing specialised agencies, such as SINC, which target cross-sectoral innovation support.
 - The CDIT sector has a growing reputation at national and international level. Superfused businesses (the combination of creative with technology skills) continue to outperform fused and unfused companies, showing a 20% plus growth in turnover, profit and employees, compared to circa 11% for fused and 5% for unfused.
 - We have done well in securing Local Growth Funding for centres of expertise – for example the Advanced Engineering Centre at University of Brighton.
 - The recent designation of Newhaven Enterprise Zone will provide a boost to the emerging LCEGS cluster by giving it a physical focus and maximising agglomeration impacts.
4. The sectors in which Greater Brighton has a competitive advantage are well evidenced by recent work from Coast to Capital, Chichester University and our own reports from last year by NLP. They are:
 - Creative Digital and IT (CDIT)

- Low Carbon and Environmental Goods and Services (LCEGS)
- Advanced Engineering
- Health and Life Sciences

5. However, innovation and high growth are not confined to the priority sectors – there is strong evidence to suggest that “gazelles” can be found in any sector. An approach to innovation and high growth has therefore to encompass both a sector/cluster approach, AND non-sector based support. There is mixed evidence about the effectiveness of science parks and innovation centres, but it is clear that cluster and agglomeration effects can be enhanced by highly targeted and specialised centres of excellence and physical locations. Cambridge Science Park and Harwell are good examples. It is highly likely that such physical clusters are most effective when they coincide with a critical mass of companies in associated sectors which is well networked; close links to and input from well- respected university departments; and a workforce with appropriate skills.
6. Greater Brighton has some examples of such well-connected sector and non-sector support linked to physical centres and locations:

| | CDIT | LCEGS | Advanced Engineering | Health & Life Science | Non Sector |
|---|-------------------------------------|--------------------------------------|-------------------------------------|---|--|
| Centre of Excellence or Research | Digital Catapult Centre Brighton | Green Growth Platform | Advanced Engineering Centre | Life Science Campus & Bio Innovation Centre | Universities |
| Physical Centre or focus | Catapult/ Fusebox/New England House | Newhaven Enterprise Zone | Advanced Engineering Centre | To come: Bio Innovation Centre; Novartis Site | SINC; To come: SINC II (NEQ); Burgess Hill Science Park; |
| Network | Wired Sussex | Green Growth Platform Business Forum | Carpenter Box Manufacturing Network | West Sussex Life Science Network | |
| High level skills development | City College HEIs | UTC HEIs | HEIs | HEIs NHS | |

7. However, a recent meeting of the key partners who have collaborated for the past two to three years on support for innovation and high growth concluded that the current level of activity was somewhat short of what would be required to lift the City Region to the level of comparators like Oxfordshire and Cambridgeshire.

Strategic Oversight

8. The devolution proposal has pushed the issue of university led, innovation driven growth right to the top of the Greater Brighton City Region agenda. While the GBEB Board sets the overall strategy for the City Region programme it may be that a certain members of the Board may need to become the champions for this element of the GBEB programme, in order that it has a high profile and that there is scrutiny of progress. There will need to be a guiding mind.

9. Much of the resource for this part of the City Region programme rests in the universities or is accessible via them. There is only going to be significant activity if, when and where there is coincidence with the universities' objectives. The two universities will need therefore to be leading organisations in the driving seat, with the LEP and the sector networks.

What can we do to drive towards the ambition?

10. There are two strands to what we would need to do to if are realise the ambition, and which straddle the full breadth of the GBEB programme:

- Create the right environment
- Put specialist support in place

Creating the right environment

11. Given that the City Region is already one of the fastest growing in terms of jobs and with a high start-up rate, there is already a good environment for business. We need to sustain this and boost it where we can.

- Skills – ensuring the workforce has the right skills to support our priority sectors and high growth businesses. Currently our productivity level does not match our high qualification level. The skills strand of the GBEB devolution programme addresses this with new approaches to apprenticeships, under employment, unemployment and higher level skills.
- Space to do business – there is a shortage of business premises but there are a number of strategic sites in the GBEB investment programme which will bring forward new employment space – as much as 455,000 sq metres if all our devolution asks are granted. The aim is to spread clusters of high growth businesses to all parts of the City Region -eg Newhaven Enterprise Zone, Newhaven Creative Quarter, redevelopment of Worthing Town Centre, and Burgess Hill Science Park. There is also a need for more shared and co-working space – BUT which meets the changing requirements of our City Region entrepreneurs. Coast to Capital is developing a Local Growth Fund proposal to extend the network of innovation centres.
- Digital Connections – although the City Region is highly rated as a business location because of its digital connections, this could soon be overtaken by demand for much higher bandwidth and we need to make sure ultrafast is the ubiquitous standard for business in the City Region. The GBEB devolution programme is working up an approach which would stimulate the supply side market so that 1Gb connections would be available just about everywhere, and at SME prices.
- Other infrastructure – moving about within the City Region and to and from Gatwick, London and the south east region is also important for the success of the City Region as a business location. The current GBEB investment programme is addressing a number of transport problems, and the devolution

proposals go further, seeking a £50m investment programme in local infrastructure.

Specialist Support

12. If we are to come close to emulating Oxfordshire and Cambridgeshire, we will need to step up the specialist support for our priority sectors and for innovation and high growth in general.

Expertise from the universities

This is a key area of challenge. Both the University of Brighton and University of Sussex have ambitions to increase their impact on the regional economy. Despite the many good examples, we are probably only seeing a small proportion of the full power of the knowledge and expertise they hold. But making it useful and effective for business while helping the HEIs meet their goals is not easy. Skilled intermediary work such as that of the Green Growth Platform and the Digital Catapult/Wired Sussex is needed.

We have a wider network of universities in the Coast to Capital area including the universities of Chichester and Surrey and University for the Creative Arts (UCA) which we also need to bring into play.

The universities also have an obvious role in skills development – especially as we have such high retention rates following graduation. Increasingly, the universities are more involved in schools and FE colleges in pre- and post- 16 education.

Centres of excellence/physical focus

Centres of excellence, both physical and virtual, are important and effective, but usually only when combined with other interventions. A number of centres – the Catapult Centre, Advanced Engineering Centre, Newhaven Enterprise Zone – are very new. They will need sustained support if they are to reach critical mass and make a credible claim of excellence and deep rooted impact.

Networks

Wired Sussex is a superb example of what a business led, self-sustaining sector network can achieve. The other business networks in the priority sectors are fledgling and not yet as well supported. They will need ongoing support from GBEB and the wider stakeholders until they reach self- sufficiency. The life science network kick-started by WSCC has made good start. It should be encouraged to take in the full City Region area.

Specialist finance

Feedback from the agencies working with high innovation businesses suggest that on the whole, the availability of finance for business growth is reasonable. Banks still only tend to lend against security rather than potential or business plan, but equity finance supply exceeds the level of good propositions that are seeking finance.

The combined RGF grant programmes operated by the LEP and BHCC and their partners from 2013 to 2015 were effective. Coast to Capital won funding in the Growth Deal to keep the grant programme going but the funding can only be

used for capital expenditure which hinders creative, IT or intellectual property (IP) based companies. Via the devolution deal we need to seek a relaxation of this restriction.

International trade

Not enough of our businesses trade internationally. Evidence suggests that the greatest uplifts in productivity come from businesses that start exporting for the first time. While some 35% of all businesses have growth aspirations, only 3% intend to grow via overseas sales. Getting more firms to trade internationally is a highly specialised service. For those who have made the decision to do so, UKTI is a first-class service. For those who have yet to do so, more innovative means are needed to get them “to the door”. We are negotiating along with C2C for a closer engagement with UKTI as part of the devolution proposals.

13. A summary table of what interventions GBEB should focus on as part of the devolution deal and the longer term programme could be as follows:

| | CDIT | LCEGS | Advanced Engineering | Health & Life Science |
|---|---|--|---|--|
| Input from HEIs | How can we put the full power of the knowledge, expertise, research and networks of the universities to more effective use in the City Region? | | | |
| Specialist support | – Wired Sussex, Fusebox, Catapult | – Secure continuation for GGP after first tranche of HEFCE funding | – Gap left by MAS abolition. City Region & C2C replacement. | – Life Science Campus |
| Centres of Excellence/ physical focus | – Get the Catapult centre on a sustainable footing | – Get behind Newhaven EZ as the LCEGS cluster location | – Ensure wide engagement and use of the AEC when it opens – Central Research Laboratory as an innovation centre for “makers” | – Secure LGF for Bio Innovation Centre – Ensure Novartis site is well linked to the City Region |
| Business Networks | – Well established | – Support growth of the GGP Business Forum | – Review status and strength of the Carpenter Box network | – Encourage the spread of the WSCC inspired network |
| Skills | – City College initiative | – Growth of the UTC – FE review | – FE review | – Integrate CCG and NHS requirements |
| ALL Sectors and innovation/high growth companies | <ul style="list-style-type: none"> – World leading digital connectivity – More support for international trade – Flexible finance for innovation | | | |

Funding and resources

14. Greater Brighton has done relatively well in securing capital funding for support of the priority sectors and growth centres from City Deal, Growth Deal, Coastal

Communities and Growing Places (New England House, AEC, CRL, Newhaven Creative Quarter, SINC II).

15. There is a shortage of revenue funding. We had proposed that the national Growth Service (including the Manufacturing Advisory Service (MAS)) funding be devolved in the devolution deal, but it was abolished in the Autumn Statement. The Growth Deal only has capital support for business growth and that is causing problems in the creative and Intellectual Property based sectors. We are proposing in the devolution deal in conjunction with C2C that £4m of the existing Growth Deal funding could be used more flexibly Coast to Capital to support revenue costs associated with business growth. Sheffield City Region had such a derogation as part of their deal.
16. The ERDF element of the EU Structural and Investment Funding (ESIF) is worth around £25m over six years. GBEB partners worked closely with Coast to Capital to set the priorities in line with the need to support priority sectors, international trade and high growth, together with links between HEIs and SMEs. In delivery, the process is managed at national level and appears remote and slow. Partners are finding the bidding process rather ad hoc and the sense is that we are not making the most of a precious funding source. There needs to be more strategic coordination across partners.
17. There is a shortage of officer time to devote to a whole City Region initiative. Each organisation is focused on managing their own day to day priorities. As with much of the other GBEB programme, there is an argument for greater sharing of resources and a drive on innovation-led growth could well be a central objective of a Greater Brighton Growth Company. How such a drive would otherwise be resourced will need to be addressed.

Measuring Success

18. Success indicators might be based on measuring employment and GVA in the target sectors, and by benchmarking against known areas of high innovation like Oxfordshire and Cambridgeshire. More work needs to be done on the baselines, but a suggested matrix of KPIs is shown below with some of the baseline figures which we already hold.:

| | Indicator | Baseline 2015 | Target 2020 |
|-------------------------------|--------------------------|---------------|----------------------|
| CDIT sector | <u>GBCR</u> | | |
| | - Employment % of total | - -5.5% | - £2bn pa |
| | - GVA | - £1bn pa | |
| | <u>South East Region</u> | | |
| | - Employment % of total | - 6.8% | |
| | - GVA | | |
| Advanced Manufacturing | <u>GBCR</u> | | |
| | - Employment % of total | - 3.7% | - At SE region level |
| | - GVA | | |
| | <u>South East Region</u> | | |
| | - Employment % of total | - 4.8% | |
| | - GVA | | |

| | Indicator | Baseline 2015 | Target 2020 |
|--------------------------------|---|-------------------------------|--|
| LCEGS | <u>GBCR</u> - Employment % of total - GVA <u>South East Region</u> - Employment % of total - GVA | | |
| Life sciences | <u>GBCR</u> - Employment % of total - GVA <u>South East Region</u> - Employment % of total - GVA | - 1.3% - 1.8% | - 2% |
| Higher level employment | % of total employment in professional, associate professional and technical occupations: - GBCR - Oxfordshire - Cambridgeshire | - 39.5% - 46.8% - 39.4% | - 42% + |
| Innovation Active | % firms being innovation active - GBCR - UK | - 67% (2014) - 37% (2014) | - 60% +; at least 25% above UK average |

Science and Innovation Audits

19. The Government has launched a new initiative aimed at gaining a better understanding of where the research and innovation expertise rests in the country. The objective of the Science and Innovation Audits will be to:

- Identify and validate areas of potential global competitive advantage across the UK
- Increase access to and use of available datasets with the long term objective of developing a tool to inform the UK's future science and innovation strategies;
- Provide an evidence base for strategic decision making on local innovation priorities;
- Strengthen future bids for local investment, e.g. science capital bids, private sector, and EU smart specialisation funding;
- Foster collaboration between universities and local businesses, local authorities and LEPs or their equivalents in the Devolved Administrations.

20. The Greater Brighton City Region expression of interest submitted in January 2016 was not successful – along with all the other bids in the south. There will be further rounds in July and November 2016. The partners are the universities of Brighton, Sussex and Chichester, together with Coast to Capital and GBEB. The original EOI proposed close collaboration with 3SC and with the Audit proposed by EM3 LEP – and this will be included in the revised EOI.

21. There is no funding attached to a successful bid, but clearly it is important to our ambition to be recognised as a high tech, high growth City Region to be actively involved in Government initiatives on science and innovation. The findings from the Audit should help shape our initiatives to support priority sectors and innovation.

Conclusions

22. There is a good level of activity in support of priority sectors, innovation and high growth in the City Region. However, it is not sufficient to lift us to the level of the ambition that we have to be on a par with Oxfordshire and Cambridgeshire. We need strategic drive and will to ensure:

- i. We make the most of the devolution opportunity to seek funding and flexibilities in support of the ambition
- ii. There is a strong a sustained strategic drive to sustain the ambition, led by the power of the universities, accountable to GBEB
- iii. We make the best use of what we have by joining up funding, resources and initiatives, including making better use of ESIF funding
- iv. We adopt a small number of targets which set out the challenge and by which we will be able to measure progress.
- v. We make sure that other elements of the Greater Brighton City Region programme are creating the right environmental conditions in which innovation can thrive

| | | | |
|-------------------------|---|--|--------------------------|
| Subject: | Greater Brighton Economic Board Operational Arrangements for 2016/17 | | |
| Date of Meeting: | 19 April 2016 | | |
| 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:**

- 1.1 This report outlines the preparatory steps needed to support the operational aspects of the Greater Brighton Economic Board ('the Board') in 2016/17.
- 1.2 This report should be read in conjunction with the Heads of Terms ('HoTs') for the Board. The latest version of the Heads of Terms, as agreed by the Board on 21 April 2015, is attached as Appendix 1.

2. RECOMMENDATIONS:**2.1 That the Greater Brighton Economic Board:**

- (1) Agree and secure the budgetary contributions sought to fund the cost of running the Board and its workplan in 2016/17;
- (2) Agree that Brighton & Hove City Council shall continue to act as Lead Authority for the Board in 2016/17;
- (3) Agree the process by which the Chair of the Board shall be nominated for 2016/17;
- (4) Note the date by which the Lead Authority must be notified of all named substitutes and instruct any necessary actions within their respective organisations;
- (5) Note the date by which the lead authority must be notified of all nominations to the Greater Brighton Call-In Panel and instruct any necessary actions within their respective organisations, and;
- (6) Note that the Annual Report will be drafted for presentation to the Board at its first meeting in the new municipal year.

3. COSTINGS AND FINANCIAL CONTRIBUTIONS:

- 3.1 The budget to support the running costs of the Board in 2015/16 was £95,335 plus an additional £115,300 for the development of the City Region's devolution proposals. The actual spend, as at 17 March 2016, was £76,658 on the running costs and £105,401 on the devolution bid. It is proposed that the underspend, which totals £28,576, be rolled-over into 2016/17; with £5,000 reserved as a contingency fund and the remaining £23,576 used towards the cost of running the Board and delivering its workplan. A breakdown of the budgetary contributions and actual spend in 2015/16 is attached as Appendix 2.
- 3.2 Brighton & Hove City Council, as Lead Authority, has estimated that the net cost of running the Board and delivering its workplan in 2016/17 will be £156,434, which is 14% less than the outturn for 2015/16. A breakdown of this budget forecast is attached as Appendix 3.
- 3.3 In line with sections 12 and 13 of the HoTs, Brighton & Hove City Council is seeking the following contributions from the Board's member organisations:

| Organisation | 2016/17 Contribution Sought |
|---|-----------------------------------|
| Coast to Capital Local Enterprise Partnership | £12,500 |
| South Downs National Park Authority | £7,500 |
| University of Sussex | £7,500 |
| University of Brighton | £7,500 |
| City College Brighton & Hove | £3,750 |
| Northbrook College | £3,750 |
| Adur District Council | £12,345 |
| Brighton & Hove City Council | £53,406 |
| Worthing Borough Council | £19,215 |
| Lewes District Council | £17,734 |
| Mid Sussex District Council | £11,234 |
| Total: | £156,434 |

- 3.4 Appendices 4 and 5 outline the approach and detail the calculations used to develop the contributions that are being sought.

4. LEAD AUTHORITY

- 4.1 In line with sections 1.7 to 1.9 of the HoTs, it is proposed that Brighton & Hove City Council continue to act as Lead Authority for the Board in 2016/17. If the Board does not agree, each local authority represented on the Board will be invited to submit an expression of interest in fulfilling the role for the coming two years by 20 May 2016. The Board shall then instigate a procurement exercise to select the most appropriate authority for that role.

5. 2016/17 BOARD MEETING DATES:

- 5.1 The Board meeting dates for the new municipal year have been set as follows:

- 19 July 2016
- 18 October 2016
- 31 January 2017
- 25 April 2017

- 5.2 As in 2015/16, it is proposed that all meetings will commence at 10:00 and be held in alternating locations across the City Region.

6. MEMBERSHIP AND CHAIRPERSON:

- 6.1 The City Region comprises four further education colleges – City College Brighton and Hove, Northbrook College, Plumpton College and Sussex Downs College. The Principals of these colleges have confirmed that City College Brighton and Hove and Northbrook College will continue to represent their sector on the Board in 2016/17 on a rotational basis.
- 6.2 It is anticipated that the Greater Brighton Business Partnership representatives will remain unchanged in 2016/17.
- 6.3 With the exception of Adur District Council (halves) and Worthing Borough Council (thirds), no elections are due to take place in the City Region's local authority areas in May 2016. Neither of the Leaders' seats is up for re-election this year and so representatives on the Greater Brighton Economic Joint Committee will remain unchanged in 2016/17.
- 6.4 As outlined in section 6 of the HoTs, the role of Chair shall rotate annually between the Greater Brighton Economic Joint Committee members. The Chair of the Joint Committee shall, by virtue of his/her democratic mandate, be the Chair of the Board. It is for the Joint Committee to determine the order in which their members shall chair.
- 6.5 The former Leader of Brighton & Hove City Council was Chair of the Board in 2014/15 and the Leader of Adur District Council was Chair in 2015/16. Both councils will therefore be excluded from nominations in 2016/17.
- 6.6 The new Chair must be formally appointed at the Board's first meeting in the new municipal year. It is proposed that nominations be sought in advance and that the following process be adopted:

- (1) On 23 May 2016, Brighton & Hove City Council's Democratic Services team will issue an e-mail to the local authority Leaders to ask if they would like to put themselves forward as Chair.
 - (2) Those Local authority Leaders choosing to put themselves forward must notify Brighton & Hove City Council's Democratic Services of their decision by 03 June 2016.
 - (3) On 06 June 2016, Brighton & Hove City Council's Democratic Services will issue an e-mail to all local authority Leaders, advising of the nominations and asking them to cast a vote for their preferred nominee. Each Greater Brighton Economic Joint Committee member will have one vote, save for Brighton & Hove City Council where the Leader of the Opposition will also have a vote. Voting will be completed in confidence. The deadline for votes will be 17 June 2016.
 - (4) On 20 June 2016, Brighton & Hove City Council Democratic Services will issue an e-mail to all members of the Board to advise them of the new Chair.
 - (5) On 19 July 2016, members of the Greater Brighton Joint Committee will formally appoint the new Chair (this will be the first item of business).
- 6.7 In the event that the vote is tied, Brighton & Hove City Council's Democratic Services will issue an e-mail to all local authority Leaders, informing that the first round has been tied and asking them to vote again on the two (or more) preferred nominees.
- 6.8 All member organisations are required to inform Brighton & Hove City Council's Democratic Services of their substitute representatives by 20 June 2016. In line with section 9 of the HoTs, the list of substitutes will be approved by the Board at its first meeting in the new municipal year.
- 6.9 As stated in section 4.3 of the HoTs, the work of the Board shall be subject to review by an ad hoc joint local authority scrutiny panel that is managed by the lead authority. It is proposed that the current Call-In Protocol remains unchanged for 2016/17. The Protocol is attached as Appendix 6. Members of the Board are required to inform Brighton & Hove City Council's Democratic Services of their Greater Brighton Call-In Panel representatives by 20 June 2016.

7. ANNUAL REPORT:

- 7.1 As outlined in section 4.1 of the HoTs, the Board shall submit an annual report to each of the bodies represented on the Board.
- 7.2 It is proposed that the 2015/16 Annual Report be presented to the Board for approval at its first meeting in the new municipal year, scheduled for 19 July 2016.

8. CONCLUSION:

- 8.1 To ensure that the Board transitions smoothly into the new municipal year, Board members are asked to:

- (1) Agree the budgetary contributions that are being sought to fund the costs of running the Board in 2016/17;
- (2) Agree that Brighton & Hove City Council shall continue to act as Lead Authority in 2016/17;
- (3) Agree the process by which the Chair of the Board shall be nominated for 2016/17, and;
- (4) Note the requirement, and instruct the necessary actions within their respective organisations, to:
 - a. Notify the lead authority of their named substitutes by 20 June 2016;
 - b. Notify the lead authority of their nominations to the Greater Brighton Call-In Panel by 20 June 2016, and;

9. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 9.1 The Greater Brighton Economic Board assists with delivering economic development and growth across the region. The Board seeks to secure government and private sector funding and investment in order to deliver this economic development. An annual budget is agreed with the board for the Accountable Body to provide legal, financial and administrative support for the Board to operate as well as support to deliver the City Region's devolution bid. Annual contributions are made from member authorities to the Accountable Body toward this budget. The budget for the current financial year will reflect anticipated spend for the workstreams ahead and will include potential inflationary assumptions. The anticipated budget has reduced from the previous years spend by circa 14%. The member's contributions are detailed in Appendix 4 with the anticipated spend detailed in Appendix 3.

Finance Officer Consulted: Rob Allen, Principal Accountant, BHCC
Date: 05/04/2016

Legal Implications:

- 9.2 As explained in paragraph 4.1, the City Council is currently the lead organisation for the Board. The sums set out in Appendix 3 relate to the City Council continuing that role for 2016/7 on the basis of the Heads of Terms (HoTs) set out in Appendix 2. In the event that the devolution agenda entails changes to the operation of the Board the HoTs will need to be reviewed which may in turn impact on the costs to be borne by the partners.

Lawyer Consulted: Bob Bruce, Deputy Head of Law BHCC
Date: 05.04.16

Equalities Implications:

9.3 None

Sustainability Implications:

8.5 None

Any Other Significant Implications:

8.6 None

SUPPORTING DOCUMENTATION

Appendices:

- Appendix 1: Heads of Terms for Greater Brighton Economic Board
- Appendix 2: Breakdown of Spend in 2015/16
- Appendix 3: Budget Forecast for 2016/17
- Appendix 4: Funding Contribution Requests 2016/17
- Appendix 5: Greater Brighton Business and Demographic Overview (March 2016)
- Appendix 6: Greater Brighton Economic Board Call-In Protocol

Background Documents

None.

Appendix 1: Heads of Terms for Greater Brighton Economic Board (21 April 2015)

Heads of Terms Greater Brighton Economic Board

1. Establishment, Purpose and Form

- 1.1. The Greater Brighton Economic Board ("The Board") shall be established from the Commencement Date
- 1.2. The over-arching purpose of the board is to bring about sustainable economic development and growth across Greater Brighton ('the City Region'). To achieve this, the principal role of the Board is to co-ordinate economic development activities and investment at the regional level.
- 1.3. The Board comprises the Greater Brighton Economic Joint Committee ("GBEJC"), on which the local authorities will be represented; and the Greater Brighton Business Partnership ("GBBP"), on which the Coast to Capital Local Enterprise Partnership, business, university and further education sectors will be separated.
- 1.4. Meetings of the Board comprise concurrent meetings of GBEJC and GBBP.
- 1.5. GBEJC shall be a joint committee appointed by two or more local authorities represented on the Board, in accordance with section 120(1)(b) of the Local Government Act 1972.
- 1.6. The Board may appoint one or more sub-committees.
- 1.7. For the two years starting with the Commencement Date, the lead authority for the Board shall be Brighton & Hove City Council ("BHCC"), whose functions in that capacity shall include the provision of scrutiny (see paragraph 4.3), management of the call-in and review process (see paragraph 8), and the support detailed in paragraph 12.
- 1.8. Unless the Board resolves otherwise, before the start of the third year following the Commencement Date, and every two years thereafter, the Board shall review the lead authority arrangements and, subject to paragraph 1.9, invite each of the local authorities represented on the Board to submit an expression of interest in fulfilling the role of lead authority for the subsequent two year period. The Board shall then investigate a procurement exercise to select the most appropriate authority for that role.
- 1.9. Notwithstanding the appointment of a successor lead authority pursuant to paragraph 1.8, the incumbent lead authority may retain such of their Accountable Body functions as are necessary to enable that local authority to comply with its on-going commitments and liabilities associated with its Accountable Body status.

2. Interpretation

- 2.1. In these Heads of Terms –
 - i. 'Commencement Date' means 1st April 2014.
 - ii. 'City Region' means the area encompassing the administrative boundaries of BHCC, Adur District Council, Worthing Borough Council, Lewes District Council and Mid Sussex District Council as lie within the Coast to Capital Local Enterprise Partnership area; and 'regional' shall be construed accordingly;

- iii. 'economic development' shall bear its natural meaning but with particular emphasis given to :
 - Employment and skills;
 - Infrastructure and transport
 - Housing;
 - Utilisation of property assets;
 - Strategic planning;
 - Economic growth.
- iv. 'Accountable Body' means the local authority represented on the Board carrying out the function set out in paragraph 12.2.

3. Functions

- 3.1. The Functions of the Board are specified in paragraph 3.2 below and may be exercised only in respect of the Region.
- 3.2. The functions referred to in paragraph 3.1 are as follows:
 - i. To make long term strategic decisions concerning regional economic development and growth;
 - ii. To be the external voice to Government and investors regarding the management of devolved powers and funds for regional economic growth;
 - iii. To work with national, sub-national (in particular the Coast to Capital Local Enterprise Partnership) and local bodies to support a co-ordinated approach to economic growth across the region;
 - iv. To secure funding and investment for the Region;
 - v. To ensure delivery of, and provide strategic direction for, major projects and work stream enabled by City Deal funding and devolution of powers;
 - vi. To enable those bodies to whom section 110 of the Localism Act 2011 applies to comply more effectively with their duty to co-operate in relation to planning of sustainable development.
 - vii. To incur expenditure on matters relating to economic development where funds have been allocated directly to the Board for economic development purposes; and for the avoidance of doubt, no other expenditure shall be incurred unless due authority has been given by each body represented on the Board.
- 3.3. In discharging its function specified in paragraph 3.2 (Viii) above, the Board shall-
 - i. (save in exceptional circumstances) seek to invest funding on the basis of-
 - a Proportionality, by reference to the economically active demographic of each administrative area within the city Region;
 - b Deliverability;
 - c Value for money and return on investment / cost benefit ratio; and
 - d Economic impact to the City Region as a whole.
 - ii. Delegate implementation of that function to the lead authority, who shall also act as Accountable Body in relation to any matters failing within that function.

4. Reporting and Accountability

- 4.1. The Board shall submit an annual report to each of the bodies represented on the Board.
- 4.2. The Greater Brighton Officer Programme Board shall report to the Board and may refer matters to it for consideration and determination.
- 4.3. The work of the Board is subject to review by an ad hoc joint local authority scrutiny panel set up and managed by the lead authority.

5. Membership

5.1. The following bodies shall be members of the Board:

- i. Brighton & Hove City Council
- ii. Adur District Council
- iii. Worthing Borough Council
- iv. Lewes District Council
- v. Mid-Sussex District Council
- vi. University of Sussex
- vii. University of Brighton
- viii. Further Education Representative
- ix. Coast to Capital Local Enterprise Partnership
- x. Brighton & Hove Economic Partnership
- xi. Adur & Worthing Business Partnership
- xii. Coastal West Sussex Partnership
- xiii. South Downs National Park Authority

- 5.2. GBEJC shall comprise the bodies specified in paragraphs 5.1(i) to (v); and GBBP shall comprise the bodies specified in paragraphs 5(vi) to (xiii).
- 5.3. Each of the bodies listed in paragraph 5.1 shall be represented at the Board by one person, save that BHCC shall, by reason of it being a unitary authority, be represented by two persons (as further specified in paragraph 5.4).
- 5.4. Each local authority member shall be represented at the Board by its elected Leader and, in the case of BHCC, by its elected Leader and the Leader of the Opposition.
- 5.5. Each business sector member shall be represented at the Board by the Chairman of that member.
- 5.6. Each university member shall be represented by a Vice Chancellor or Pro Vice-Chancellor of that university.
- 5.7. Each further education member shall be represented by its Principal or the Chair of its Governing Body.

6. Chair

- 6.1. The Chair of GBEJC shall, by virtue of his/her democratic mandate, be Chair of the Board
- 6.2. If the Chair of GBEJC is unable to attend a Board meeting, the Board shall elect a substitute from its local authority member representatives provided that no such member representative attending in the capacity of a substitute shall be appointed as Chair of GBEJC / the Board.

- 6.3. The Chair of GBEJC for its first year of operation shall be the Leader of BHCC
- 6.4. Following GBEJC's first year in operation, its Chair shall rotate annually between its members, with the new Chair being appointed at the first meeting of the Board in the new municipal year.
- 6.5. GBEJC shall decide the order in which their members shall chair that body.

7. Voting

- 7.1. Each person represents a member of GBEJC, and each person representing a member of the GBBP, shall be entitled to vote at their respective meetings.
- 7.2. Voting at each of the concurrent meetings of GBEJC and GBBP shall be by show of hands or, at the discretion of the chair, by any other means permitted by law, and voting outcomes reached at those meetings shall be on a simple majority of votes cast.
- 7.3. Where voting at a meeting of GBEJC results in an equal number of votes cast in favour and against, the Chair of GBEJC shall have a casting vote.
- 7.4. Where voting at a meeting of GBEJC results in an equal number of votes cast in favour and against, the motion/proposal/recommendation under consideration shall fall in relation of GBBP.
- 7.5. Where the respective voting outcomes of GBEJC and GBBP are the same, that shall be taken as the agreed Board decision and the Board may pass a resolution accordingly.
- 7.6. Where the respective voting outcomes of GBEJC and GBBP differ, the Board –
 - i. May not pass a resolution relating to that matter; and
 - ii. May refer the matter to the Chief Executive of the lead authority, who may consult with members of the Board or such other persons as are appropriate, with a view to achieving agreement on the matter between GBEJC and GBBP by discussion and negotiation.
- 7.7. Where, pursuant to paragraph 7.6(ii), agreement is reached the matter at issue shall be remitted to, and voted upon at, the next meeting of the Board.
- 7.8. Where, pursuant to paragraph 7.6(ii), no agreement is reached the motion/proposal/recommendation at issue shall fall.

8. Review of decision

- 8.1. Decisions of the Board will be subject to call-in and review in the following circumstances:
 - i. Where a local authority voted to agree a recommendation at a GBEJC meeting, but the decision of the Board was to agree the recommendation.
 - ii. Where a local authority voted against a recommendation at a GBEJC meeting, but the decision of the Board considered that the interests of the body they represent had been significantly prejudiced; or
 - iii. Where any local authority represented on the Board considered that the interests of the body they represent had been significantly prejudiced; or

- iv. Where any local authority represented on the Board considered that the Board had made a decision beyond its scope of authority.
- 8.2. The procedure for Requesting, validation, and implementing a call-in and review is specified in Schedule 1.
- 8.3. Where a request for call-in is accepted, the Board decision to which it relates shall be stayed pending the outcome of the call-in
- 8.4. Following call-in, the panel convened to review a Board decision may refer the decision back to the Board for re-consideration. Following referral, the Board shall, either at its next scheduled meeting or at a special meeting called for the purpose, consider the panel's concerns over the original decision.
- 8.5. Having considered the panel's concerns, the Board may alter its original decision or re-affirm it. Paragraph 8.1 shall not apply to the Board's follow-up decision. In consequence, the latter decision may be implemented without further delay.

9. Substitution

- 9.1. Subject to paragraph 9.2, where a representative of a member of the Board is unable to attend a Board meeting, a substitute representative of that member may attend, speak and vote, in their place for that meeting.
- 9.2. A substitute member must be appointed from a list of approved substitutes submitted by the respective member to the Board at the start of each municipal year.

10. Quorum

- 10.1. No business shall be transacted at any meeting of the Board unless at least one third of all member bodies are present, and both GBEJC and GPBBP are quorate.
- 10.2. Quorum for GBEJC meetings shall be three member bodies.
- 10.3. Quorum for GBBP meetings shall be three member bodies.

11. Time and Venue of Meetings

- 11.1. Ordinary meetings of the Board shall be convened by the lead authority and normally take place in the geographical area of that authority.
- 11.2. The Chair of the Board may call a special meeting of the Board at any time, subject to providing members with minimum notice of two working days.

12. Administrative, financial and legal support

- 12.1. The lead authority shall provide the following support services to the Board:
 - i. Administrative, as more particularly specified in the Memorandum of Understanding pursuant to paragraph 13;
 - ii. Financial (including the Accountable body function specified in paragraph 12.2); and
 - iii. Legal, comprising Monitoring Officer and Proper Officer functions in relation to GBEJC meetings.
- 12.2. The function of the Accountable Body is to take responsibility for the financial management and administration of external grants and funds provided to the Board, and

of financial contributions by each member of the Board, as more particularly specified in the Memorandum of Understanding Pursuant to paragraph 13. In fulfilling its role as Accountable Body, the lead authority shall remain independent of the Board.

- 12.3. Other members of the Board shall contribute to the reasonable costs incurred by the lead authority in connection with the activities described in paragraphs 12.1 and 12.2, at such time and manner as the Memorandum of Understanding shall specify.

13. Memorandum of Understanding

- 13.1. Members of the Board may enter into a memorandum of understanding setting out administrative and financial arrangements as between themselves relating to the functioning of the Board.

- 13.2. The memorandum may, in particular, provide for –

- i. Arrangements as to the financial contributions by each member towards the work of the Board, including:
 - a The process by which total financial contributions are calculated;
 - b The process for determining the contribution to be paid by each member;
 - c The dates on which contribution are payable;
 - d How the Accountable Body shall administer and account for such contributions;
- ii. Functions of the Accountable Body; and
- iii. The terms of reference for the Greater Brighton Officer Programme Board.

14. Review and Variation of Heads of Terms

- 14.1. The Board shall keep these Heads of Terms under review to ensure that the Board's purpose is given full effect.
- 14.2. These Heads of Terms may be varied only on a resolution of the Board to that effect, and subject to the approval of each body represented on the Board.

Schedules

1. Call-in protocol

Appendix 2: Breakdown of Spend in 2015/16

1. The 2015/16 budget to support the running costs of the Board totalled £83,157. This was made-up of the following contributions:

| | |
|---|---------|
| Adur District Council | £5,986 |
| Brighton & Hove City Council | £25,714 |
| Worthing Borough Council | £9,348 |
| Lewes District Council | £8,631 |
| Mid Sussex District Council | £5,428 |
| Coast to Capital Local Enterprise Partnership | £7,650 |
| South Downs National Park Authority | £5,100 |
| University of Sussex | £5,100 |
| University of Brighton | £5,100 |
| City College Brighton & Hove | £5,100 |

2. In addition, the 2014/15 underspend of £12,178 was rolled-over into 2015/16 as a contingency fund.
3. The total budget to support the running costs of the Board in 2015/16 was therefore £95,335.
4. As approved by the Board on 13 February 2015 and 13 October 2015, further contributions totalling £45,300 and £50,000 respectively were made to support the development of the City Region's devolution bid.

It was agreed by the Board that 40% of these costs be funded by Brighton & Hove City Council and that the remaining 60% be funded in equal measure by Adur District Council, Worthing Borough Council, Lewes District Council, Mid Sussex District Council and the Coast to Capital Local Enterprise Partnership (12% each). The contributions were thus as follows:

| | |
|---|---------|
| Adur District Council | £11,436 |
| Brighton & Hove City Council | £38,120 |
| Worthing Borough Council | £11,436 |
| Lewes District Council | £11,436 |
| Mid Sussex District Council | £11,436 |
| Coast to Capital Local Enterprise Partnership | £11,436 |

5. In February 2015, Brighton & Hove City Council made an additional contribution of £20,000 to support the development of the City Region's devolution bid.
6. The total budget to support the development of the City Region's devolution bid in 2015/16 therefore totalled £115,300.
7. The actual spend in 2015/16 (including all known commitments as at 17 March 2016) was as follows:

| | |
|--|------------|
| Salary costs (including on-costs) and expenses | £51,134.80 |
| Financial Services support | £6,854 |
| Legal Services support | £9,388 |
| Democratic Services support | £4,000 |
| Venue hire | £1,172 |
| Consultancy costs: | |
| • Nathaniel Lichfield & Partners | £2,550.70 |
| • Grant Thornton | £45,300 |

| | |
|--|--|
| <ul style="list-style-type: none"> • ResPublica • Ian Parkes • Shaun Fensom | £15,000 £35,000 £5,000 |
| Communications & Branding: <ul style="list-style-type: none"> • Wolfrstom Design - Greater Brighton Devolution Brochure - Greater Brighton Annual Report - Project Pipeline Map • Design, Print & Sign - Greater Brighton Devolution 'At a Glance' Document - Pull-Up Banners • Printing Costs | £2,400 £2,400 £150 £545 £180 £984 |
| Total | £182,058.5 |

8. The budget remaining as at 17 March 2015 is £28,576. Of that, approximately £18,677 is underspend from the contributions towards the running costs of the Board and £9,899 from the contributions toward the City Region's devolution bid.
9. It is proposed that the remaining budget be rolled-over into 2016/17, with £5,000 reserved as a contingency fund and the remaining £23,576 put towards the cost of running the Board and delivery of its workplan.

Appendix 3: Budget Forecast for 2016/17

1. It is anticipated that the budget required to support the running of the Board and delivery of its workplan in 2016/17 is £156,434:

| | |
|--|-----------------|
| Salary costs (including on-costs) The increase in salary costs is due to the need for additional staffing resource, in form of a Policy & Projects Manager, to support the delivery of Board's ambitious programme. It is proposed that this be appointed to on a 1 year fixed-term contract, with a particular focus on developing and implementing the City Region's devolution proposals. <i>(Note: this forecast is based on Greater Brighton partner organisations also inputting officer time)</i> The increase also reflects the 1% inflationary rise | £102,847.90 |
| Finance support (increase due to 2% inflationary rise) | £6,991 |
| Legal support (increase due to inflationary 2% rise) | £9,575.76 |
| Communications support This new cost reflects the need for a dedicated communications officer to support the work of the Board one day per week. It is proposed that the communications function rotate with the Chair, as opposed to being fulfilled by the Lead Authority | £8,515 |
| Democratic Services support (administrative) (increase due to inflationary 2% rise) | £4,080 |
| Scrutiny (charged £500 (excluding venue) on a 'pay as you go' basis) | £2,000 |
| Specialist external support This cost will cover technical consultancy support in relation to the City Region's devolution proposals (e.g. digital infrastructure, apprenticeship levy, transport and housing). <i>(Note: this forecast is based on Greater Brighton partner organisations also inputting officer time)</i> | £40,000 |
| Venue hire (x4 Board meetings) | £2,000 |
| Publicity, design and branding | £4,000 |
| Total Costs | £180,010 |
| Minus deductions (2015/16 underspend) | £23,576 |
| Net Costs | £156,434 |

2. The budget forecast excludes the £5,000 contingency fund, enabled by the 2015/16 underspend.

Appendix 4: Funding Contribution Requests 2016/17

Greater Brighton Business Partnership:

| Organisation | 2016/17 Contribution Sought | 2015/16 Contribution Paid (inc towards City Region's Devolution Bid) |
|---|--|---|
| Coast to Capital Local Enterprise Partnership | £12,500 | £19,086 |
| South Downs National Park Authority | £7,500 | £5,100 |
| University of Sussex | £7,500 | £5,100 |
| University of Brighton | £7,500 | £5,100 |
| City College Brighton & Hove | £3,750 | £5,100 |
| Northbrook College | £3,750 | £0 |
| Total | £42,500 | £39,486 |

- Due to their being largely local authority funded, no contributions will be sought from the Brighton & Hove Economic Partnership, the Adur & Worthing Business Partnership and the Coastal West Sussex Partnership.
- Some partners will be paying less than 2015/16 because they made contributions to the devolution budget, whilst other partners did not.

Greater Brighton Economic Joint Committee:

- The total remaining funding contribution required is £113,934.
- The contributions sought from the unitary, district and borough councils have been apportioned in relation to the size of their working age populations. See Appendix 5.
- As a large proportion of Mid Sussex District Council's working age population is based in East Grinstead – an area this is currently outside of the scope of the Investment Programme – it is proposed that they pay 50% of their original contribution calculation and that the remaining 50% be divided equally amongst the remaining members (an additional £2,808 each).

| Organisation | % of working age population | Original 2016/17 Contribution Calculation | Actual 2016/17 Contribution Sought (rounded up) | 2015/16 Contribution Paid (inc towards City Region's Devolution Bid) |
|------------------------------|--|--|--|---|
| Adur District Council | 8.37% | £9,536.27 | £12,345 | £17,422 |
| Brighton & Hove City Council | 44.41% | £50,598.10 | £53,406 | £83,834 |
| Worthing Borough Council | 14.40% | £16,406.50 | £19,215 | £20,784 |
| Lewes District Council | 13.10% | £14,925.35 | £17,734 | £20,067 |
| Mid Sussex District Council | 19.72% | £22,467.78 | £11,234 | £16,864 |
| Total | 100% | £113,934 | £113,934 | £158,971 |

Appendix 5: Greater Brighton Business and Demographic Overview (March 2016)

| Local Authority | Population (2014) | Working age population (2014) | VAT/PAYE Businesses (2015) | VAT/PAYE Business Units (2015) | Business units per 1,000 working age residents | % of total GB population | % of total GB working age population | % of business units in GB area |
|-----------------|-------------------|-------------------------------|----------------------------|--------------------------------|--|---------------------------------|--------------------------------------|--------------------------------|
| Adur | 63,200 | 37,300 | 2,185 | 2,500 | 67.0 | 9.08% | 8.37% | 7.2% |
| Brighton & Hove | 281,100 | 198,000 | 12,650 | 15,210 | 76.8 | 40.40% | 44.41% | 43.9% |
| Lewes | 100,200 | 58,400 | 4,185 | 4,755 | 81.4 | 14.40% | 13.10% | 13.7% |
| Mid Sussex | 144,400 | 87,900 | 6,920 | 7,790 | 88.6 | 20.75% | 19.72% | 22.5% |
| Worthing | 106,900 | 64,200 | 3,550 | 4,385 | 68.3 | 15.36% | 14.40% | 12.7% |
| <i>Totals</i> | <i>695,800</i> | <i>445,800</i> | <i>29,490</i> | <i>34,640</i> | <i>77.7</i> | <i>99.99% (due to rounding)</i> | <i>100%</i> | <i>100%</i> |

In the last year:

- The population has grown by 6,800 people
- The working age population has grown by 3,100
- The number of registered businesses has grown by 8.1%
- The number of business units has grown by 6.7%

All data sourced from NOMIS. Primary Data Sources: ONS Annual Population Estimates, Inter-Departmental Business Register

Appendix 6: Greater Brighton Economic Board Call-In Protocol

Greater Brighton Economic Board: Call-in Protocol

Call-in

1. Requesting a Call-in

- 1.1. Call-in is a process via which decisions made by the Greater Brighton Economic Board (GBEB) but not yet implemented can be challenged by GBEB members and referred to an independent 'call-in panel' for consideration.
- 1.2. Any decision made by the GBEB may be called-in up to five working days from the date of the meeting at which the decision was taken.
- 1.3. Call-in may triggered by any one or more of the constituent members of the GBEB. Such a request shall be made in writing to the Chief Executive of the lead Local Authority (i.e. the Local Authority responsible for GBEB administration at the time of the call-in request) and shall include the reasons for the request and any alternative decisions proposed.
- 1.4. A request for call-in may be made by any GBEB member local authority:
 - i. where a local authority voted to agree a recommendation at a GBEJC meeting, but the decision of the Board was against the recommendation;
 - ii. where a local authority voted against a recommendation at a meeting of the GBEJC but the decision of the Board was to agree the recommendation;
 - iii. where any local authority represented in the Board considered that the interests of the body they represent had been significantly prejudiced; or
 - iv. where any local authority represented in the Board considered that the Board had made a decision beyond its scope of authority.
- 1.5. The Chief Executive may refuse to accept a call-in request which in his/her opinion is frivolous, vexatious or defamatory or where no reason for the decision to be called-in is given.
- 1.6. Should the request be accepted, the Chief Executive will call-in the decision. This shall have the effect of suspending the decision coming into force and the Chief Executive shall inform the relevant decisionmakers of the call-in. The Chief Executive shall then call a meeting of the GBEB call-in panel to scrutinise the decision.
- 1.7. The GBEB call-in panel must meet within seven working days of the Chief Executive accepting the call-in request. Should the call-in committee fail to meet within this period, or meet but not be quorate, then the original decision shall come into force at the expiry of the seven day period

2. The GBEB Call-in Panel

- 2.1. The GBEB call-in panel shall include members representing each of the constituent members of the GBEB (i.e. both the Greater Brighton Economic Joint Committee and the Greater Brighton Business Partnership).
- 2.2. The GBEB call-in panel could potentially also include co-opted members from other bodies. Any decision on co-option would be made annually by the GBEB.

- 2.3. Each constituent member of the GBEB shall appoint a member to the GBEB call-in panel. No member of the GBEB call-in panel may also be a member or substitute member on the GBEB – GBEB call-in panel members should be independent of the GBEB to the degree that they have not as individuals been involved in the decision that they are being asked to consider as a call-in.
- 2.4. The Chair of the GBEB call-in panel shall be appointed annually by the GBEB.
- 2.5. Appointments to the GBEB call-in panel shall be annual.
- 2.6. Substitution is permitted on to the GBEB call-in panel. However, no substitute member may be or have been a GBEB member or substitute.
- 2.7. The GBEB call-in panel shall make decisions on the basis of a majority vote. If the vote is split then the panel Chair shall have a casting vote.
- 2.8. **Quorum.** To be quorate a meeting of the GBEB call-in panel shall require at least one third of members to be in attendance.
- 2.9. For the purposes of call-in no distinction shall be made between representatives from the members of the Greater Brighton Economic Joint Committee and representatives from the members of the Greater Brighton Business Partnership: all members of the call-in panel will vote together.

3. Call-in meetings

- 3.1. The GBEB call-in panel will consider call-in requests at a special call-in meeting. Typically, the call-in panel will hear from:
 - i. the GBEB member who made the call-in request (where a request has been made by more than one member the Chair of the GBEB callin panel will decide whether to take representations from all the signatories to the call-in request or to ask the signatories to make a single representation). The member(s) who requested a call-in will explain why they feel the original decision was unsound and will suggest an alternative decision.
 - ii. the GBEB. The GBEB Chair (or another GBEB member or an officer supporting the GBEB at the request of the GBEB Chair) will explain why the original decision was made and will provide any additional information they feel is germane. Where the GBEB Chair is a signatory to the call-in request, then another GBEB member (or officer supporting the GBEB) shall attend the call-in meeting to represent the GBEB. This representative will be chosen by the Chief Executive of the lead authority, after discussion with GBEB members.
 - iii. Other organisations, stakeholders or members of the public may be granted the right to make representations to the call-in panel at the discretion of the GBEB call-in panel Chair. However, in general the intention should be to re-examine the decision originally made not to hold a broader enquiry into the decision in question.
- 3.2. Call-in does not provide for the call-in panel to substitute its own decision for the original GBEB decision, but merely to refer the matter back to the GBEB. The GBEB can only be asked to reconsider any particular decision once.
- 3.3. In essence the call-in panel is simply tasked with deciding whether the decision in question should be referred back to the GBEB to be reconsidered. Therefore the only substantive decision the GBEB call-in panel can make is whether to refer the decision back to the GBEB or to let the original decision stand.

- 3.4. In deciding whether to refer a decision back to the GBEB, the call-in panel shall have regard to:
- i. Any additional information which may have become available since the original decision was made
 - ii. The implications of any delay in implementing the original decision
 - iii. Whether reconsideration is likely to lead to a different decision
 - iv. The importance of the matter raised and the extent to which it relates to the achievement of the GBEB strategic priorities
 - v. Whether there is evidence that the decision-making rules in the GBEB constitution have been breached
 - vi. Whether there is evidence that the GBEB consultation processes have not been followed
 - vii. Whether the decision taken is not in accordance with a policy previously agreed by the GBEB
 - viii. Whether there might be an alternative way of dealing with the matter in hand short of referral back to the GBEB
- 3.5. If having scrutinised the decision, the GBEB call-in panel feels that the decision was seriously flawed, it may refer it back to the GBEB for reconsideration, setting out in writing the nature of its concerns.
- 3.6. Implementation of any decision referred back to the GBEB remains suspended until the GBEB has met to reconsider the matter. However, should the GBEB call-in panel choose not to refer the matter back to the GBEB for reconsideration then implementation may begin immediately following the call-in committee meeting.
- 3.7. The GBEB shall reconsider any matter referred back to it by the GBEB call-in panel either at its next scheduled meeting or at a special meeting called for the purpose. Having considered the concerns expressed by the GBEB call-in panel the GBEB is free to make any decision it chooses *including re-affirming its original decision*.

4. Call-in and urgency

- 4.1. The call-in procedure set out above shall not apply where the decision being taken is urgent. A decision will be urgent if any delay likely to be caused by the call-in process would seriously prejudice the interests of the GBEB or the general public across the 'Greater Brighton' region. The record of the decision, and notice by which it is made public, shall state if in the opinion of the GBEB the decision is an urgent one and therefore not subject to call-in. This is subject to the agreement of the Chief Executive of the lead authority.
- 4.2. Any decision exempted from call-in for reasons of urgency shall be communicated to the Chair of the GBEB call-in panel by the Chief Executive of the lead authority, together with an explanation as to why the decision has been deemed urgent. The intention is that urgency exceptions are used sparingly and only where there is an overriding reason to do so.

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