GREATER BRIGHTON ECONOMIC BOARD

17 APRIL 2018
10.00AM

COUNCIL CHAMBER, HOVE TOWN HALL, NORTON ROAD, HOVE, BN3 3BQ

AGENDA

Title:	**Greater Brighton Economic Board**
Date:	**17 April 2018**
Time:	**10.00am**
Venue	**Martlets Hall, Civic Way, Burgess Hill, RH15 9NN**
Members:	**Councillors:** Smith (Chair), Humphreys, Janio, Lamb, Morgan, Parkin and Wall **Business Partners:** Alison Addy (Gatwick Airport), Trevor Beattie, Prof. Michael Davies, Peter Webb, Prof. Debra Humphris, Nick Juba, Dean Orgill, Steve Allen and Andrew Swayne
Contact:	**John Peel** Democratic Services Officer 01273 291058 john.peel@brighton-hove.gov.uk

Greater Brighton Economic Board

Robert Cottrill
CE- LDC

Councillor Smith
LDC

Secretary

Lawyer

Nick Hibberd
BHCC

Andy Hill
BHCC

Max Woodford
BHCC

Martin Randall
WBC/ADC

Peter Sharp
LDC

Cath Goodall

Clem Smith
CBC

Councillor Janio
BHCC

Councillor Morgan
BHCC

Geoff Raw
CE- BHCC

Councillor Humphreys
WBC

Alex Bailey
CE- ADC/WBC

Councillor Parkin
ADC

Councillor Wall
MSDC

Kathryn Hall
CE- MSDC

Peter Lamb
CBC

Natalie Brahma-Pearl
CE- CBC

Andrew Swayne
Chairman- A&W Business Partnership

Dean Orgill
B&H Business Partnership

Steve Allen
C2C LEP

Peter Webb
CWS Partnership

Prof. Humphris
Vice-Chancellor UoBtn

Prof. Davies
Deputy Vice-Chancellor UoSx

Nick Juba
FE Rep

Trevor Beattie
SDNPA

Alison Addy
Gatwick Airport

Phil Jones

Jonathan Sharrock

Caroline Wood

Prof. Sue Baxter

Public Seating

Press

AGENDA

PART ONE **Page**

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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, 9 April 2018

GREATER BRIGHTON ECONOMIC BOARD

10.00am 6 FEBRUARY 2018

THE MAIN HALL, HILLCREST CENTRE, BAY VUE ROAD, NEWHAVEN, BN9 9LH

MINUTES

Present: Councillors Smith (Chair), Ash-Edwards, Humphreys, Lamb, Morgan and G Theobald

Business Partners: Steve Allen, Prof. Davies, Prof. Dean, Tim Norwood, Dean Orgill, Andrew Swayne, Peter Webb

PART ONE

20 PROCEDURAL BUSINESS

20a Declarations of substitutes

20.1 Councillor Theobald was present as substitute for Councillor Janio.

20.2 Councillor Ash-Edwards was present as substitute for Councillor Wall.

20.3 Tim Norwood was present as substitute for Alison Addy.

20b Declarations of interests

20.2 There were none.

20c Exclusion of the press and public

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

20.4 **RESOLVED-** That the press and public not be excluded.

21 MINUTES OF THE PREVIOUS MEETING

21.1 **RESOLVED-** That the minutes of the previous meeting held on 7 November 2017 be approved and signed as the correct record.

22 CHAIR'S COMMUNICATIONS

22.1 The Chair provided the following communications:

On behalf of the Board I would like to welcome Phil Jones. Phil is the Managing Director of Wired Sussex and replaces Amanda Menahem as Business Representative for Coast to Capital.

"On the 1st February the Ministry of Housing, Communities & Local Government announced the projects that have been awarded funding through the new Housing and Infrastructure Fund. A total of £48m has been awarded to projects from across our City Region, with investment heading to Shoreham, Hove, Lewes, Burgess Hill and Crawley. This is a major success for the City Region as it will directly unlock the delivery of 2,500 new homes and accelerate the delivery of a further 3,500 homes. This investment is further proof that by working together as part of the Greater Brighton Economic Board we can bring significant investment into our City Region.

In July 2017 Coast to Capital launched a new funding round for unallocated funds from rounds 1 & 2, and it's great news that around £12m of the £27m available has been allocated to help fund projects from across the City Region. Our Investment Programme continues to grow and, more importantly, it is delivering – unlocking much needed new homes, employment floor-space and jobs for our City Region.

Following approval by the Board a timetable for the Energy Plan and the Terms of Reference for the Infrastructure Panel and Biosphere Delivery Board Working group were discussed at the Officer Programme Board on 9th January. The first meetings will be held in the spring".

23 ADMISSION OF NEW MEMBER TO THE BOARD

23.1 The Board considered a report of the Chair, Greater Brighton Officer Programme Board that requested approval for Crawley Borough Council to join the Greater Brighton Economic Joint Committee (GBEJC) following formal ratification from the Board's member organisations.

23.2 **RESOLVED-**

1) That the Board approves that Crawley Borough Council joins the GBEJC and that Gatwick Airport Ltd joins the GBBP.

2) That the Board agree to amend the Board's Heads of Terms at Appendix 1.

24 CRAWLEY BOROUGH COUNCIL AND GATWICK AIRPORT PRESENTATION

24.1 The Board considered a presentation from Natalie Brahma-Pearl that provided an overview of Crawley Borough and detailed the various successes and challenges to the area.

24.2 Councillor Theobald asked for further information on the investment from Metrobus.

24.3 Natalie Brahma-Pearl clarified that the investment would be for new infrastructure including real-time bus information services, improvements to Manor Royal with the overall ambition of creating a modal shift in transportation methods.

24.4 The Board considered a presentation from Tim Norwood that set out a business overview and the role in the regional economy of Gatwick Airport.

24.5 Geoff Raw stated that Brighton & Hove City Council was working to better understand the businesses in their region and how they could be supported to develop their international trade levels. Geoff Raw asked if Gatwick Airport had such knowledge for the wider region and if that information could be pooled.

24.6 Tim Norwood replied that Gatwick Airport did collect information on local businesses in the region and held an annual Meet the Buyers event and a pooling of information could certainly be considered.

24.7 Prof. Humphris stated that the University of Brighton had a successful Graduate Engagement scheme especially in the area of civil engineering and work to further that would be welcomed.

25 GREATER BRIGHTON ONE PUBLIC ESTATE PROGRAMME 2017 ANNUAL REPORT

25.1 The Board considered a report of the Chair, Greater Brighton Officer Programme Board that set out the local One Public Estate (OPE) Programme’s 2017 Annual Report that would also be provided to the Local Government Association (LGA) and Cabinet Office Government Property Unit (GPU) as the Greater Brighton OPE Partnership’s end of year report.

25.2 Andrew Swayne asked if all projects were on track.

25.3 Angela Dymott confirmed that all projects were on track to schedule.

25.4 Steve Allen asked for the list of projects that had not been awarded grant funding for Phase 6.

25.5 Angela Dymott answered that a detailed list of the unsuccessful projects could be circulated adding that a potential benefit would be that these projects were now readied and could be successful in the next round of funding.

25.6 **RESOLVED-**

1) That the Board note the 2017 Annual Report.

Councillor Smith left the meeting to attend an East Sussex County Council meeting and was replaced in the Chair by Councillor Humphries.

26 PROGRESS UPDATE ON GREATER BRIGHTON INVESTMENT PROGRAMME

26.1 The Board considered a report of the Chair, Greater Brighton Officer Programme Board that that provided a progress update on the Greater Brighton Investment Programme since the previous meeting on 7 November 2017. The report also provided an update on the Local Growth Fund (LGF) allocations made as part of the Growth Deal Round 3 and the progress on projects awarded unallocated monies from Growth Deal Rounds 1 & 2.

26.2 **RESOLVED-**

1) That the Board note the contents of the report.

27 BRIGHTON MAINLINE ALLIANCE

27.1. The Board considered a report of the Chair, Greater Brighton Officer Programme Board that requested the Board become a member of the Brighton Mainline Alliance and promote the activities of the Alliance through its networks and contacts.

27.2. Councillor Theobald expressed his support for the proposal and asked how it was envisaged to overcome the problem of a single line to Brighton from Three Bridges which demonstrated the need for BML2.

27.3. Jonathan Sharrock stated that the Alliance did not rule out investments in other sections of the line nor the development of BML2.

27.4. Councillor Ash-Edwards expressed his support for the proposal adding that there was a demonstrative need for improvements to the Windmill Bridge Junction and he hoped this would be the first of many investment projects.

27.5. Councillor Morgan expressed his support for the proposal adding that he hoped Network Rail's recent investment announcement would be the start of continued rail investment.

27.6. Councillor Humphries stated his support for the proposals adding that the many obstacles to an efficient, reliable rail service had led to a negative impact on the economy and lives of commuters.

27.7. **RESOLVED-**

1) That the Greater Brighton Economic Board adds its support and voice to those campaigning for the Windmill Junction Scheme, by becoming a member of the Brighton Mainline Alliance.

2) That the Board promotes the activities of the Alliance through its networks and contacts.

28 REPORT ON THE INDUSTRIAL STRATEGY WHITE PAPER

28.1 The Board considered a report of the Chair, Greater Brighton Officer Programme Board that set out the main themes of the Industrial Strategy White Paper and the resulting challenges and opportunities that it created for the City Region.

28.2 **RESOLVED-**

1) That the Board note the contents of the Report on the Industrial Strategy White Paper.

2) That the Board notes how the Industrial White Paper will shape future discussions and interactions with Government as Greater Brighton works towards developing a Housing and Growth Deal.

29 UPDATE ON GREAT BRITISH SCIENCE FESTIVAL

29.1 The Board considered a presentation from Andrew Swayne that provided an evaluation and legacy planning for the British Science Festival held in the region between the 5 and 9 September 2017.

29.2 Prof. Humphris stated that the evaluation and the Festival captured the potential interest in science amongst young people. Prof. Humphris added that she hoped that promotion of the two universities specialisation in the area would advance that interest further still.

29.3 Geoff Raw stated that the event was of huge importance and going forward, it was essential to devise branding and clearly state the regions local offer.

29.4 Natalie Brahma-Pearl welcomed the success of the event adding that science and technology was rapidly becoming of greater importance with the global increase in AI.

29.5 Dean Orgill stated that restrictions in the teaching syllabus needed to be overcome to realise the potential in the education of the sciences and political intervention was required to do that.

29.6 Nick Juba stated that he believed attention should be focussed on the creative subjects that would hold as much importance in the future as STEM subjects.

The meeting concluded at 11.40am

Signed Chair

Dated this day of

GREATER BRIGHTON ECONOMIC BOARD	Agenda Item 33

Subject:		**Greater Brighton Inward Investment & Export Strategy**	
Date of Meeting:		**17 April 2018**	
Report of:		**Chair, Greater Brighton Officer Programme Board**	
Contact Officer:	**Name:**	**Nick Hibberd**	**Tel: 01273 293020**
	Email:	**Nick.Hibberd@brighton-hove.gov.uk**	
LA's affected:		**All**	

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT:

1.1 On the 25th April 2017 the Greater Brighton Economic Board approved the recommended work plan for 2017/18. A key work stream for 2017/18 was the development of a Greater Brighton Inward Investment & Export Strategy and the Board agreed to allocate £40,000 for this important piece of work.

1.2 At the same time, Brighton & Hove City Council and the Brighton & Hove Economic Partnership were looking to develop a new Economic Strategy for Brighton & Hove, covering the period 2018-23. It was agreed that there would be a single procurement exercise to procure both pieces of work from the same supplier, in order to minimise costs and to exploit the clear synergies between the strategies that would emerge.

1.3 Following the tender process in the autumn of 2017, Regeneris were appointed as the consultancy that would develop the Brighton & Hove Economic Strategy and Greater Brighton Inward Investment & Export Strategy.

1.4 The Greater Brighton Inward Investment & Export Strategy has been completed and is attached as a report at Appendix One

2. RECOMMENDATIONS:

2.1 That the Board agrees the Inward Investment & Export Strategy, noting its two key proposals;

a) Creation of a new Trade and Investment Team, subject to funding being identified, focusing on attracting new investment to Greater Brighton, and on supporting City Region Businesses to grow and trade internationally

b) Delivery of a physical and high-profile hub for Greater Brighton trade and inward investment activities, with potential 'satellite' hubs across the City Region.

2.2 That the Board agrees the recommended next step, which will be to commence work on preparing a detailed working proposal around how to take forward the two key recommendations. The detailed proposal would be presented back to the Board for approval at a subsequent meeting.

3. CONTEXT/ BACKGROUND INFORMATION:

3.1 The Greater Brighton City Region was established in 2014 in recognition of the important economic dynamics and interdependencies which link Brighton & Hove, Adur, Mid Sussex, Worthing, Lewes, and Crawley. The over-arching purpose of the Greater Brighton Economic Board is to bring about sustainable economic development and growth across the Greater Brighton City Region. To achieve this, the principal role of the Board is to co-ordinate economic development activities and investment at the regional level.

3.2 Since the City Region was established, strong momentum has been achieved through the activities of the Board including the Greater Brighton Investment Programme, the One Public Estate Programme and closer than ever partnership working across City Region partners more generally.

3.3 Within its Industrial Strategy, the UK government sets out an ambition to “create an economy that boosts productivity and earning power throughout the UK”. In an uncertain economic context, trade and inward investment has an integral role to play in working towards this vision, supporting business growth and innovation, and creating and sustaining employment opportunities in existing and emerging sectors.

3.4 The Greater Brighton City Region has the potential to be one of the UK’s most compelling inward investment and growth locations. Home to nearly 1 million people, the City Region is distinctive for its excellent national and international connectivity, its diverse and growing economy, its talented labour pool and the quality of its natural and physical assets. The City Region provides a strong balance between urban and rural lifestyles: while the vibrant Brighton & Hove, Adur and Worthing coastline is classified as the second densest built up area in the UK outside London, the City Region is also home to the South Downs National Park. The quality of the Greater Brighton’s environment and lifestyle is one of its greatest and most recognised strengths.

3.5 Despite this, there is evidence that the area is currently failing to maximise its investment and trade potential, and that, in economic terms, it is losing ground to other locations across the UK. Furthermore, Greater Brighton is being outperformed locally, with productivity and growth rates lower than other areas with the Coast to Capital region and wider south east.

3.6 The Greater Brighton Investment and Trade strategy has been developed to help the City Region realise its potential as one of the UK’s leading locations for investment and trade. It identifies the vital characteristics which distinguish the City Region economically, and provides recommendations on the delivery structures and mechanisms which could help the area to become a more attractive and supportive place in which to locate and do business.

3.7 Greater Brighton has a strong offer to communicate to inward investors and can do more to encourage local businesses to grow through international trade. This needs a skilled, dedicated resource acting as gateway to trade and investment information, enquiries and support. A new Trade and Investment Team would focus on attracting new investment to Greater Brighton, and on supporting City Region businesses to grow and trade internationally. The Team would be positioned as the lead body for Trade and Investment activities in the area with protocols in place to ensure transparency and collaboration with local partners.

3.8 The focus of activity would be a physical high-profile hub for Greater Brighton trade and inward investment activities. There is an opportunity to establish the physical hub for a new Trade and Investment Team, and its day-to-day activities, at Brighton Town Hall. The Town Hall is currently underused and funding has been approved by Brighton & Hove City Council to refurbish the asset as a multi-sector hub for business growth, international trade, inward investment activity and destination marketing. The proposed refurbishment presents an opportunity to provide a highly visible home for the new Trade and Invest Team, and a high-quality facility from which to showcase Greater Brighton as a business investment destination.

3.9 Once the team is operational and established, there may be potential for the main hub to be supported by 'satellite' hubs at strategic sites across the City Region e.g. Gatwick Airport.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS:

4.1 The Greater Brighton Inward Investment & Export Strategy at Appendix One highlights the relative poor levels of success that the City Region has had at securing inward investment and outlines the key reasons for this.

4.2 Without following the recommendations in the Strategy it is likely that the City Region will continue to struggle in making a compelling case for inward investment, and the success rate will remain low. In 2016/17 Greater Brighton had 17 successes in securing Foreign Direct Investment (FDI), which was a small proportion of the 217 success across the south east as a whole, and represents less than 1% of the UK total. In a post-Brexit economy, where competition for limited funds will only intensify, it is likely that Greater Brighton will start to lag further behind comparable regions, such as Bristol & Bath and Thames Valley/Reading, unless a dedicated resource is established.

4.3 Within the region some local authorities are working to attract inward investment in their own areas; some have designated staff and others have contracts in place to promote the locality. The team once created will need to be sensitive to these existing arrangements and work to compliment rather than detract from them.

Next Steps:

4.4 The report suggests that the costs associated with the creation of the new team should be shared by City Region partners. However, as indicated in paragraph 4.3 above, some Greater Brighton partners are already investing in this area. It is therefore proposed that officers seek to secure external funds to create the team. If successful it would be possible to fund the creation of the service described in the proposal and fund other inward investment activities linked to the new City Hall for Business, for example an enhanced role for the Business Ambassadors.

5. COMMUNITY ENGAGEMENT & CONSULTATION:

None required.

6. CONCLUSION:

6.1 The Board is asked to note the key conclusions made in the report and approves the recommended next step, which will be to commence work on preparing a detailed working proposal around the key recommendations.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The creation of a new Trade and Investment Team will require the identification of resources and funding to support the team and its functions. Further work will be undertaken to identify external funding options as well as a detailed breakdown of costs and structure and this will be reported back to this Board in due course. An indicative cost of £360,000 pa for six officers has been estimated in paragraph 5.24 of Appendix 1. Work will be undertaken to identify external funding (the preferred option) although other options include additional contributions from Greater Brighton members and / or commercial charging to businesses and partners. This is detailed in paragraphs 5.26 to 5.30 of Appendix 1. Funding may also need to be identified to support the cost of the hub identified as the location for the Greater Brighton trade and inward investment activities. Brighton and Hove City Council has identified Brighton Town Hall as a potential hub which could incorporate these functions. It is likely that contributions toward the costs of this hub and / or satellite hubs may be identified in the future.

Finance Officer Consulted: Rob Allen, Principal Accountant Date: 28/03/2018

Legal Implications:

7.2 As the proposals outlined in the report are developed, the legal implications will be considered. There may need to be agreements between the City Region partners about the employment of the new team, the provision of services by the team, and the use of the City Hall building.

Lawyer Consulted: Alice Rowland, Head of Commercial Law Date: 28/03/2018

Equalities Implications:

7.3 None directly related to this report.

Sustainability Implications:

7.4 None directly related to this report.

SUPPORTING DOCUMENTATION

Appendices:

1. Greater Brighton Inward Investment & Export Strategy

REGENERIS

Greater Brighton Inward Investment and Trade Strategy

A Final Report by Regeneris Consulting

April 2018

Greater Brighton City Region

Greater Brighton Inward Investment and Trade Strategy

April 2018

www.regeneris.co.uk

Contents Page

Executive Summary

i. The Greater Brighton Investment and Trade strategy has been developed to help the City Region realise its potential as one of the UK's leading locations for investment and trade.

ii. It identifies the characteristics which distinguish the City Region economically, and provides recommendations on the delivery structures and mechanisms which could help the area to become a more attractive and supportive place in which to locate and do business.

iii. The strategy has been developed as an internal strategy for Greater Brighton partners. It has been developed by Regeneris Consulting and Cambridge Competitive Advantage (CCA) based on a detailed programme of evidence collection and consultation.

Recommendations: New Resource to Support Trade and Inward Investment Across Greater Brighton

iv. Greater Brighton has a strong offer to communicate to inward investors and can do more to encourage local businesses to grow through international trade. This needs a skilled, dedicated resource acting as gateway to trade and investment information, enquiries and support.

v. Two related actions have been identified to help Greater Brighton better realise its trade and investment potential:

Action 1. A new Greater Brighton Trade and Invest Team

A new Trade and Investment Team focusing on attracting new investment to Greater Brighton, and on supporting City Region businesses to grow and trade internationally.

vi. The principle of a dedicated **Greater Brighton Trade and Invest Team** has received support from partners across the City Region, and is the priority of this strategy.

vii. The team would provide a dedicated resource working with local partners (the councils, business networks, and businesses themselves) plus Coast to Capital Local Enterprise Partnership (C2C LEP), Gatwick Diamond, Locate East Sussex, Invest in West Sussex, the Newhaven Enterprise Zone and the Department for International Trade (DIT) to deliver a business/investor friendly support service.

viii. The Trade & Invest Team would be positioned as the lead body for Trade and Investment activities in the area with protocols in place to ensure transparency and collaboration with local partners.

ix. Further work is needed now needed to establish a five-year business plan for the team, setting out clear operational and financial models.

Trade and Investment: A Dual Remit

While inward investment and international trade are distinct policy areas, there are also close synergies and dynamics between the two: not least in terms of the importance of consistent messaging on growth aspirations, strong insight and intelligence on the local business / economic landscape, and a coordinated approach to business engagement and dialogue.

The 'dual' remit of the proposed Greater Brighton trade and invest team reflects these synergies, and replicates successful models developed elsewhere in the UK (e.g Bristol and Bath and Locate East Sussex). A coordinated and coherent approach to both investment and trade has the potential to play an important role in supporting economic growth and vitality: both by attracting new jobs and businesses to the City Region, and by helping existing (and new) businesses to grow.

x. *Please refer to Chapter 5 for more information on the role and remit of the Trade and Invest Team.*

Action 2. City Hall for Business

Delivery of a physical and high-profile hub for Greater Brighton trade and inward investment activities, with potential for 'satellite' hubs elsewhere in the City Region.

xi. There is an opportunity to establish a physical hub for a new Trade and Invest Team, and its day-to-day activities, at Brighton Town Hall.

xii. The Grade II listed building in Bartholomew Square in Central Brighton is currently underused and funding has been approved by Brighton & Hove City Council to refurbish the asset as a multi-sector hub for business growth, international trade, inward investment activity and destination marketing.

xiii. The proposed refurbishment presents an opportunity to provide a highly visible home for the new Trade and Invest Team, and a high-quality facility from which to showcase Greater Brighton as a business investment destination.

xiv. While Brighton & Hove and the town hall provide a natural home and focal point for the Trade and Invest Team, it is critical that the service is established in a way which reflects its City Region wide remit. In the short term, this means ensuring that the town hall is fully accessible to City Region partners. However, once the team is operational and established, the potential to establish 'satellite' hubs at other locations throughout the City Region should also be explored.

xv. *Please refer to Chapter 5 for more information on City Hall for Business project.*

The Case for Action

xvi. While Greater Brighton is home to a diverse and growing economy, a number of challenges have been identified which are impacting on overall economic vitality and competitiveness.

xvii. To better realise its economic potential, the City Region needs to be perceived as a location which welcomes, values and supports business investment and growth. There is a strong case for intervention by City Region partners to help this potential to be realised:

- **Greater Brighton is currently underperforming in terms of inward investment:** the attractiveness of Greater Brighton as a location for investment is highlighted by the fact that there have been a number of inward investment 'successes' across the City Region over the past year. While there are a number of organisations with inward investment functions active across the area, there is currently no proactive positioning of the Greater Brighton as a whole. As a result, the full potential of the City Region as an investment location is not being maximised.
- **Competition for investment is increasing both nationally and internationally:** It is also clear that Greater Brighton will continue to face stiff competition from other UK locations and from overseas locations targeting key sectors like Creative and Digital services and Professional and Financial services. The Tech City 2017 report for example, lists a number of UK locations working to grow their technology sectors many of which (such as Bristol, Manchester, Sheffield and Edinburgh) have active inward investment programmes. Without a proactive effort, Greater Brighton is unlikely to attract the number and quality of investors necessary to build the area's longer-term image as a 'go-to' destination.
- **Exports and business growth have an important role to play in driving the future economic vitality of the City Region:** the current macro-economic context, and uncertainty in future UK trade dynamics present both opportunities and threats for the City Region economy. While supporting business growth and international trade has been identified as a national priority for the government, Brexit will bear a significant influence on the decision making and activities of individual firms over the coming years. In Greater Brighton, this is relevant both for larger employers who trade internationally, and also smaller businesses who have aspirations to grow and trade internationally. In this context, providing a supportive business environment that recognises and engages with the needs of different segments of the economy is more important than ever.

xviii. Intervention is needed to provide a proactive response to these challenges: better communicating and exploiting the City Region's potential for growth, and providing mitigation to areas of challenge.

xix. *Please refer to Chapter 3 for more information on the case for action.*

Building An Inward Investment Proposition for Greater Brighton

xx. The development and communication of compelling inward investment propositions will be central to the activities of the Greater Brighton Trade and Invest team. These will need to sell the area as a whole, while also providing information on its constituent places, sectors and opportunities.

Selling the City Region: Headline Economic Strengths

- **A Connected Economy:** Greater Brighton benefits from strong connections, both nationally and internationally. These include swift rail links to London, the presence of Gatwick Airport, and the ports at Newhaven and Shoreham. Digital connectivity within the major urban areas is also strong
- **A Growing Economy:** The City Region is home to a large economy of nearly half a million jobs and has experienced strong growth over the past 5 years. It boasts a diverse range of economic locations, including a vibrant hierarchy of town and urban areas, major industrial areas such as Manor Royal, and significant growth and regeneration opportunities such as the Newhaven Enterprise Zone, the Burgess Hill Growth Area and Shoreham Harbour.
- **Diverse Sector Strengths:** Greater Brighton has a dynamic and broad-based economy. Strengths include professional services and creative and digital industries (particularly in Crawley and Brighton & Hove), logistics and warehousing (particularly around Gatwick), and a range of higher value manufacturing and engineering activities. There are aspirations to growth nascent bio-tech, marine, environmental and green energy sectors across the area (e.g. at Newhaven).
- **Unique Economic and Innovation Assets:** Greater Brighton boasts a strong set of assets which are supporting its evolution as one of the UK's leading hotspots of research and innovation. These include the 5G Digital Catapult, the forthcoming Advanced Engineering and Bio-Innovation Centres, two universities, and a strong set of business networks and support mechanisms.
- **A Strong Workforce:** Greater Brighton benefits from a large and well-educated workforce. The area has a population of around 800,000 and has strong rates of labour market participation. Over 43% of the population hold a degree or higher. The City Region boasts a range of education institutions, including two universities and a diverse further education offer.
- **Lifestyle and places:** The quality of the Greater Brighton's environment and lifestyle is one of its greatest and most recognised strengths. The City Region provides a strong balance between urban and rural lifestyles, including vibrant urban areas (e.g. Brighton & Hove), historic market towns (e.g. Lewis) and nationally recognised landscapes (the South Downs National Park).
- **Momentum:** The City Region has significant potential for housing and employment growth over the next decade. The Greater Brighton City Deal has been agreed to help unlock this growth, with major investments planned to alleviate stresses in the City Region's economic infrastructure. The City Region Investment Programme comprises around £150m of public sector investment allocated to projects across Greater Brighton, with considerable private sector funding levered.

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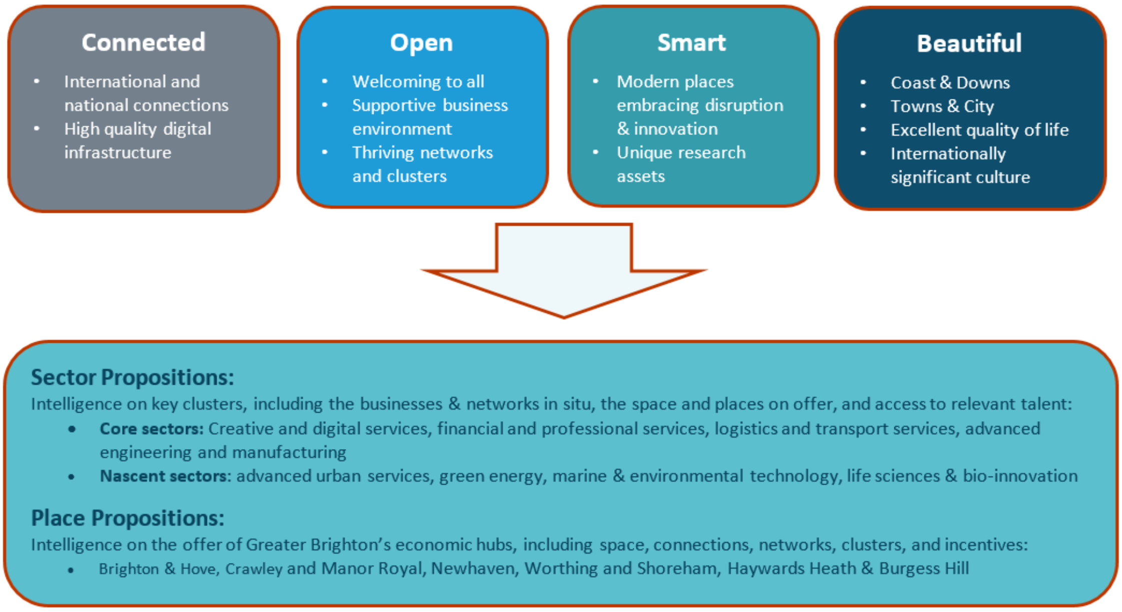
xxi. Based on the research undertaken, an 'indicative' inward investment proposition for the City Region has been developed.

Figure E1: Indicative Greater Brighton Inward Investment Proposition



Source: Regeneris Consulting, 2018

xxii. An important early task for the proposed Greater Brighton Trade and Invest Team should be to develop this proposition further, along with a set of supporting 'place' and 'sector' propositions. In doing so, it should take into account four principles which will help to ensure success:

- **Clarity:** the best propositions have a very clear and simple idea, conveyed in a succinct and business-like fashion. It should be memorable and meaningful.
- **Scale:** the proposition should address the advantages at an optimum and appropriate scale of geography. This may be at the City Region or LEP level, but it might be at a national, regional, sub-regional or local one.
- **Facts:** it must be believable and based on clear facts and evidence. It must be supported by statistics, stories and third-party validation in the form of quotes and case studies.
- **Consistency:** an effective proposition emerges and evolves over a period of time. A proposition should be adopted by as many other partners and people as possible, ensuring that multiple voices expose many audiences to the same themes over a sustained period.

xxiii. Please refer to Chapter 6 for more information on the process of developing an inward investment proposition for Greater Brighton.

1. The Greater Brighton Investment and Trade Strategy

1.1 The Greater Brighton Investment and Trade strategy has been developed to help the City Region realise its potential as one of the UK's leading locations for investment and trade.

1.2 It identifies the vital characteristics which distinguish the City Region economically, and provides recommendations on the delivery structures and mechanisms that could help the area to become a more attractive and supportive place in which to locate and do business.

1.3 The strategy has been developed as an internal strategy for Greater Brighton partners. It has been developed by Regeneris Consulting and Cambridge Competitive Advantage (CCA) based on a detailed programme of evidence collection and consultation.

The Greater Brighton City Region

1.4 The Greater Brighton City Region was established in 2014 in recognition of important economic dynamics and interdependencies that link Brighton & Hove, Adur, Mid Sussex, Worthing, Lewes, and Crawley.

1.5 It is underpinned by a shared recognition of the need to work beyond boundaries to maximise growth opportunities, respond to areas of socio-economic challenge, and to make more compelling cases to government for investment.

1.6 Since the City Region was established, strong momentum has been achieved through the activities of the Greater Brighton Economic Board and closer than ever partnership working across City Region partners more generally.

1.7 The Greater Brighton City Deal agreed with government in 2014, the Greater Brighton Investment Programme, and the One Public Estate programme represent considerable early achievements for the City Region.

Figure 1.1 The Greater Brighton City Region

Source: Regeneris Consulting, 2018

1.8 Together, they highlight the added value and critical mass that can be achieved through partnership working across the area and provide a strong platform to build upon over the coming decade in supporting the ongoing economic evolution of Greater Brighton.

Investment and Trade in Greater Brighton

1.9 Within its Industrial Strategy, the UK government sets out an ambition to *"create an economy that boosts productivity and earning power throughout the UK"*. In an uncertain economic context, trade and inward investment has an integral role to play in working towards this vision, supporting businesses growth and innovation, and creating and sustaining employment opportunities in existing and emerging sectors.

1.10 The Greater Brighton City Region has the potential to be one of the UK's most compelling inward investment and growth locations. Home to nearly one million people, the City Region is distinctive for its excellent national and international connectivity, its diverse and growing economy, its talented labour pool and the quality of its natural and physical assets. The area's unique economic assets, and its significant infrastructure and growth investment programme are helping the area to evolve as a modern, forward-facing economic area of national significance.

1.11 Despite this, there is evidence that the area is currently failing to maximise its investment and trade potential and that, in economic terms, it is losing ground to other locations across the UK.

Purpose of the Investment and Trade Strategy

1.12 **This strategy has been developed to help the City Region better realise its investment and trade potential in the future.** In doing so, it takes stock of current performance and provides guidance on the delivery structures and mechanisms which should be put in place to help attract greater levels of investment and to provide a more supportive environment for businesses to trade.

1.13 The strategy has been developed to build on the aspirations and strategy of partners across Greater Brighton, and to ensure that the City Region is well positioned within the context of regional and national economic growth aspirations. This includes the growth priorities of both the Coast to Capital (C2C) and South East Local Enterprise Partnerships (LEPs), and the UK government.

Strategy Focus

The strategy has a dual focus:

- **Inward investment**, focusing both on foreign direct investment (FDI) and intra-UK investment.
- **International trade**, with a focus on exports.

1.14 The strategy is supported by a detailed evidence base on the structure and performance of the City Region economy, and builds on a detailed programme of consultation with City Region leaders and partners.

2. Distilling the City Region's Economic Offer

2.1 Any proposition to enhance trade and investment must build on a clear understanding of local economic strengths and assets.

2.2 This chapter provides an overview of some of the key characteristics that define the Greater Brighton investment and trade offer. While operating as a coherent and functional economic entity, the City Region is home to a diverse set of places and economies which all form part of the overall proposition.

A Well-Connected Economy

2.3 Greater Brighton benefits from great connections: both nationally and internationally (illustrated in Figure 2.1).

2.4 The Brighton Mainline provides links to London and the south midlands for settlements up the central spine of the City Region, with journey times from Brighton & Hove to London Victoria of less than an hour on the fastest trains. The Sussex Coast route links coastal settlements across the City Region on the east-west axis, and provides connectivity to Southampton and Portsmouth beyond.

2.5 The City Region is home to Gatwick Airport which serves 228 destinations in 74 countries, more than any other UK airport. International connections to the continent are also provided at Newhaven (passenger ferries and commercial freight) and Shoreham (commercial freight / cargo port).

2.6 The City Region also benefits from excellent digital connectivity within its major hubs. Over 94% of premises in Worthing are covered by ultrafast broadband speeds (greater than 100 megabits per second (mbps), higher than any other UK city. Connection speeds are similarly strong in Brighton & Hove at over 91% of premises (ranked 8th nationally).

2.7 While there are a number of acknowledged infrastructure stresses across Greater Brighton (such as road and rail capacity and reliability, and rural broadband connections), City Region partners are working collaboratively to secure new investment and to deliver the necessary enhancements.

Figure 2.1 Greater Brighton's Connections and Places

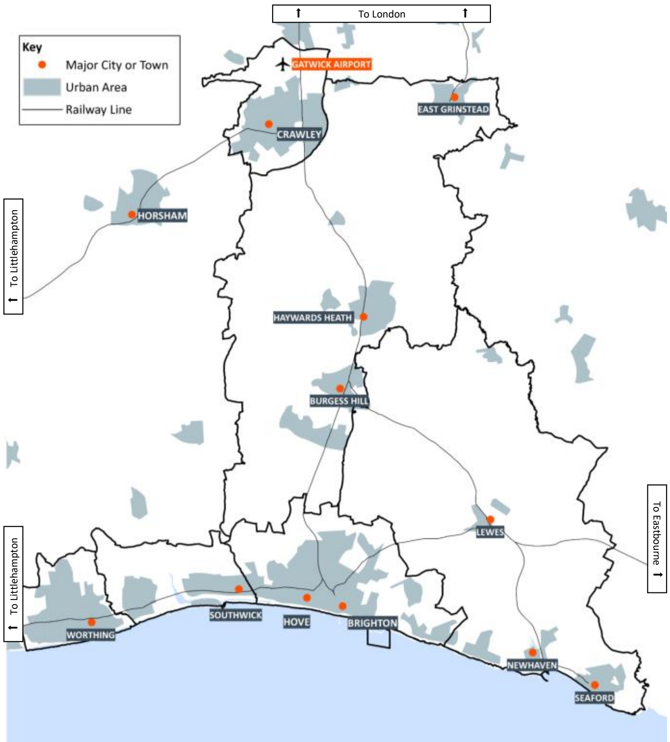
56 minutes: fastest journey times Brighton & Hove to central London

●

228 international destinations from Gatwick Airport

●

Worthing ranked **1st of all UK cities for ultrafast broadband**



Source: Regeneris Consulting, 2018

A Diverse and Growing Economy

2.8 Greater Brighton is home to a strongly performing economy.

2.9 In total, the economy comprises around 400,000 jobs and 40,000 businesses and generates around £21bn output every year. The size of the economy (number of jobs) has grown by around 10% over the past five years, above regional and national averages. Crawley registered the second highest private sector employment growth rate of any UK city over the last 12 months.

2.10 Greater Brighton is home to a diverse range of economic locations. It boasts three major economic hubs: (Brighton & Hove, around 140,000 jobs; Crawley and Gatwick, around 93,000 jobs; and Worthing, around 45,000 jobs), and a network of smaller economic hubs (including Haywards Heath, Burgess Hill, East Grinstead, Shoreham, Lewes and Newhaven). Manor Royal is already well established as one of the South East's premier mixed activity employment hubs, while the Newhaven Enterprise Zone has been recognised nationally as a major opportunity for employment-led regeneration and for the development of a higher value economy.

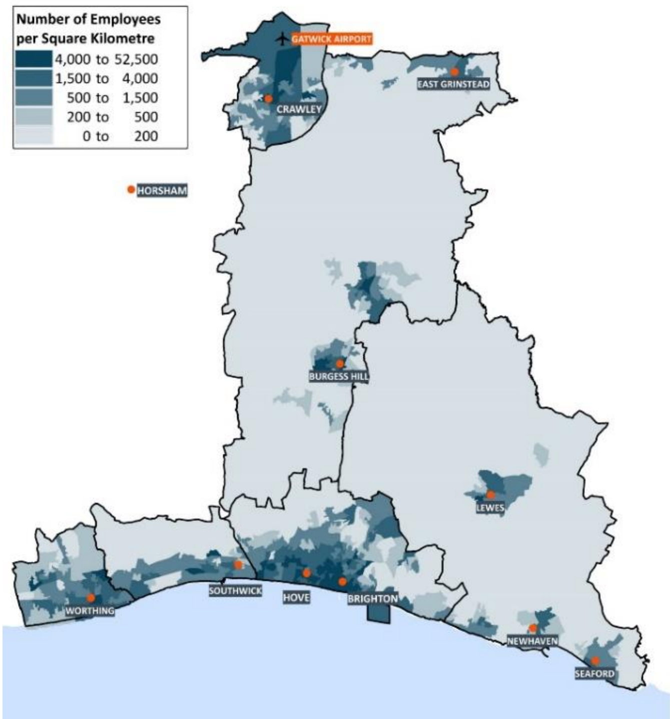
2.11 The City Region provides an attractive environment for all types of business. There is a broad range of multinational employers located across the City Region, with Crawley in particular playing host to a concentration of larger businesses and headquarter functions. The City Region also accommodates a thriving small business economy. This is particularly true in Brighton & Hove, which has one of the UK's strongest business start-up rates and the highest levels of homeworking nationally.

Figure 2.2 Greater Brighton's Economic Geography

The economy accomodates **400,000 jobs** and generates **£21bn output every year**

•

Home to **multinational and HQ employers**, and one of UK's **strongest start-up and enterprise economies**



Source: Regeneris Consulting, 2018

REGENERIS CCA

Sector Specialisms

2.12 Across the Greater Brighton City Region there are a number of different sector specialisms which provide a dynamic and broad-based economy.

2.13 Brighton & Hove's most significant private sector specialisms include ICT and Creative Services, Visitor Economy activities, and Higher Education.

2.14 Elsewhere in the City Region, specialisms are focused around industrial and support industries. Significant sector specialisms within the City Region include:

- Professional services and business support services in Crawley
- Advanced manufacturing, transport and warehousing & logistics at Manor Royal in Crawley linked to Gatwick
- Advanced manufacturing in Worthing, partly derived from GSK's large pharmaceutical manufacturing factory, located in the borough.
- A growing bio-tech sector in Mid Sussex, with businesses such as Cell 4 Life and Stabilitech
- Existing advanced manufacturing businesses at Newhaven (with businesses such as Surrey NanoSystems), and aspirations to grow the engineering, marine and environmental technologies sectors
- Nascent growth sectors such as green energy across West Sussex.

Figure 2.3 Greater Brighton's Diverse Sector Specialisms

Main Sector	Detailed Sector	Brighton & Hove	Adur	Crawley	Lewes	Mid-Sussex	Worthing
Industrial	Advanced Manufacturing		Dark blue	Orange		Pale blue	Orange
Support Industries	Construction		Dark blue		Dark blue	Dark blue	
	Transport			Orange			
	Warehousing and Logistics			Orange			
Local Services	Retail	Pale blue	Dark blue		Pale blue	Pale blue	Dark blue
	Wholesale		Dark blue			Orange	
	Visitor Economy	Dark blue					
Creative & Professional	ICT & Digital	Dark blue	Dark blue			Pale blue	
	Creative	Dark blue					
	Professional & Financial	Pale blue				Dark blue	
	Business Support Services	Pale blue		Orange			
	Other Services		Pale blue				
Public Administration, Education, Health		Dark blue			Orange	Pale blue	Dark blue

Note: Colour coding denotes level of specialism relative to national average: Pale blue = slight specialism Dark blue = moderate specialism Orange = strong specialism.

Source: Regeneris Consulting, based on Office for National Statistics (ONS), Business Register and Employment Survey

A World-Class Workforce

2.15 Greater Brighton benefits from a large and well-educated workforce (illustrated in Figure 2.4).

2.16 The City Region is home to around 800,000 people of whom more than half a million are of working age. The population is comparatively young: around two thirds of the population are of working age, higher than the national average. The working age population is stronger still along the coastal strip: around 71% of Brighton & Hove residents are of working age.

2.17 Participation in the labour market is strong. The City Region is home to around 430,000 economically active residents, and around 410,000 residents in employment. Both economic activity and employment participation rates are higher than national averages. Crawley currently has the highest employment rate of any UK city at over 86%.

2.18 The local workforce provides a range of skills which reflect the diversity within the local economy: from technical skills serving advanced manufacturing, transport & logistics sectors, to service industry skills serving the hospitality & visitor economy sector, to higher level skills serving the creative & professional sectors. Over 43% of the population hold a degree or higher. In Brighton & Hove this rises to over 46% of the population, with the city ranking 8th nationally.

2.19 The City Region boasts considerable education assets:

- Brighton and Sussex Universities accommodate over 35,000 students and provide a diverse range of academic courses
- There is also a diverse Further Education offer, with GBMet, Worthing College, Downs College and Crawley College among others provide a range of academic and specialist vocational courses
- The new UTC Harbourside at Newhaven provides specialist training focused on marine and environmental engineering, while the Advanced Technology Centre at Crawley specialises in manufacturing, engineering and environmental technologies
- The City Region is also home to a number of well-regarded independent schools including Brighton College and Ardingly College.

Figure 2.4 Greater Brighton's Workforce

Half a million working age residents

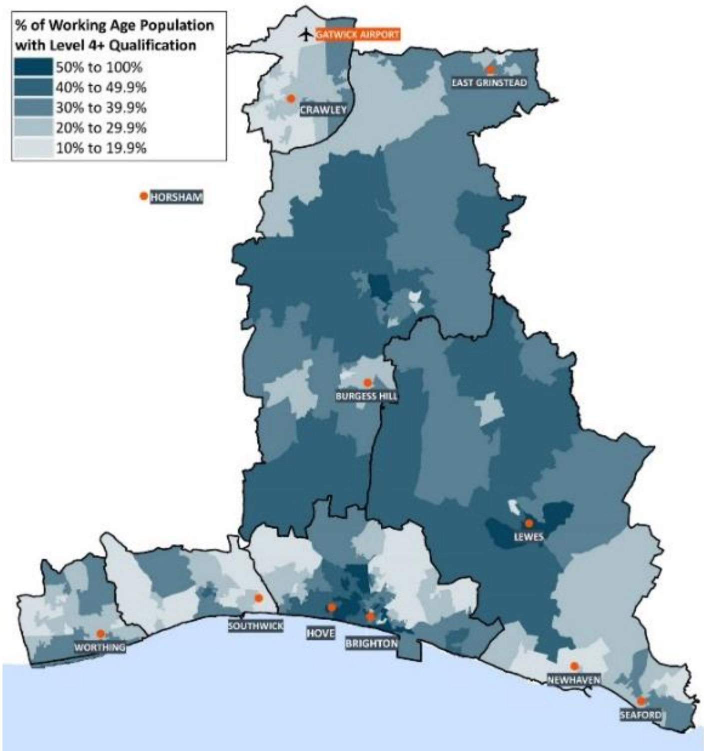
●

Over 40% of the population have a degree-level qualification

●

Considerable education assets, including two universities

Degree Level Qualifications Across the City Region



Source: Regeneris Consulting, based on ONS BRES

Unique Economic and Innovation Assets

2.20 Greater Brighton boasts a considerable set of economic, innovation and research assets.

2.21 These both support the day-to-day functioning of the economy and are supporting the ongoing evolution of Greater Brighton as one of the UK's leading hotspots of research and innovation. Latest data highlights that Crawley has one of the highest patent application rates among all UK Cities (ranking 9th out of 62).

Figure 2.5 Greater Brighton's Economic Assets

Research & Innovation Assets	Greater Brighton is home to a growing number of research and innovation assets serving the needs of specific sector. These include: • **The 5G Digital Catapult Centre** in Brighton & Hove; one of the only places in the UK where SMEs are able to experiment with 5G tech. • A number of other **accelerators and incubators**, including the Brighton Hatchery, the Sussex Innovation Centre, the EDF Blue Lab, and the Barclays Eagle Lab. • The forthcoming **Advanced Engineering** and **Bio-Innovation Centres** which have received funding from C2C.
Universities	Aside from their education focus, the universities of Brighton and Sussex provide considerable research expertise: • **University of Sussex**: internationally recognised research strengths in policy and practice in economics, health, culture, climate change and quantum technology. The university hosts The Sussex Innovation Centre, which supports high technology & innovative businesses' growth. • **University of Brighton**: highly rated research areas include Advanced Automotive Engineering, Business and Management; Dentistry, Nursing and Pharmacy; History; and Leisure & Tourism. Both universities are playing a strong role in the development of the local creative and cultural economy, not least through Brighton Fuse and ongoing work with the Arts and Humanities Research Council (AHRC).
Business Networks and Support Mechanisms	• **Business partnerships and networks**: the area is home to a number of well-established businesses focused partnerships such as Brighton & Hove Economic Partnership, Adur and Worthing Business Partnership, the Gatwick Diamond, and the Chambers of Commerce. • The area is also home to important **sector networks**, most notably Wired Sussex which supports networks and growth across the creative and digital sector.

High Quality Places and Lifestyle

2.22 The quality of the Greater Brighton's environment and lifestyle is one of its greatest and most recognised strengths.

2.23 The City Region provides a strong balance between urban and rural lifestyles. While the vibrant Brighton & Hove, Adur and Worthing coastline is classified as the second densest built up area in the UK outside London, the City Region is also home to the South Downs National Park.

2.24 The Living Coast Biosphere covers a geography similar to Greater Brighton, and is one of only six UNESCO designated International Biosphere Reserves in the UK, demonstrating the balanced relationship the city has between people and nature (i.e. encouraging sustainable development).

2.25 Greater Brighton's hierarchy of historic and attractive towns and villages, provide a diverse offer for those looking to invest or live in the area.

2.26 Brighton & Hove itself has an international reputation for its vibrant, cosmopolitan lifestyle. There is a strong commitment to arts in the city, with a number of festivals and events such as the Brighton Fringe and the Brighton Festival that attract both residents and tourists. More generally, the city's diverse assets (including the seafront, the Royal Pavilions, and the Regency architecture) underpin the city's established visitor identity. The city is also home to a retail centre of regional importance centred on Churchill Square and a renowned independent offer in the Lanes, North Laines and Hove.

Figure 2.6 Greater Brighton's Places

Large part of the Greater Brighton designated as a **UNESCO Biosphere**

●

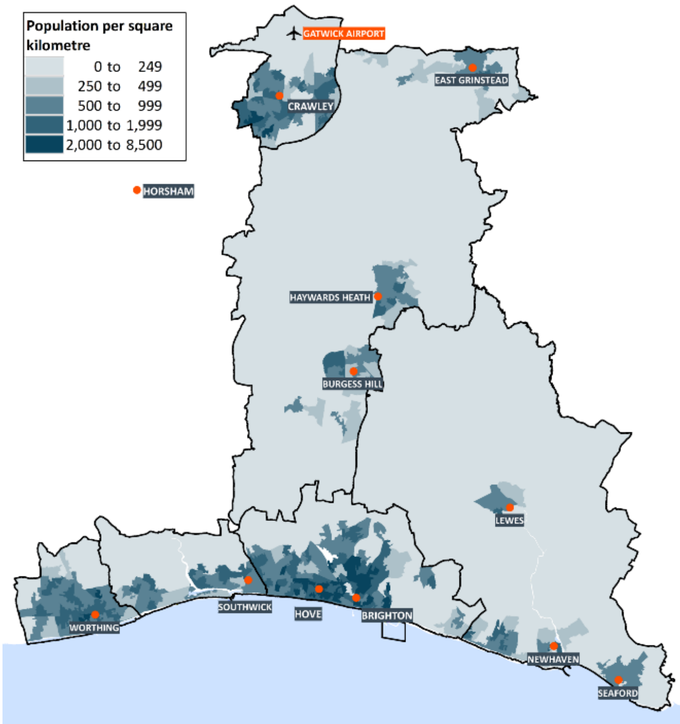
South Downs National Park

●

11 million visitors every year to Brighton & Hove

●

Historic **market towns**



Source: Regeneris Consulting, ONS Census, and Visit Brighton

Strong Regeneration and Investment Pipeline

2.27 The City Region has strong growth potential, with significant potential for housing and employment growth over the next decade.

2.28 A number of major growth and regeneration opportunities exist across the area. These include:

- Brighton & Hove is home to a range of major regeneration projects including ongoing improvements to the seafront, the Preston Barracks scheme, the New England House project, the Sussex Bio-Innovation Centre and the Advanced Engineering Centre
- The Newhaven Enterprise Zone: nationally designated growth area, covering nearly 80 hectares and providing a significant quantum of new and refurbished space to support the development of 'clean, green and marine' sectors
- The Burgess Hill Growth Area: an ambitious programme worth over £1bn and expected to deliver 5,000 homes, 15,000 jobs and a series major infrastructure enhancements
- Crawley town centre: an ongoing regeneration programme delivering major enhancements to the public realm, new retail and commercial space and new community facilities
- North Street Quarter, Lewes: a major brownfield site development in Lewes providing over 400 new homes, business space public space and amenities
- Shoreham Harbour Regeneration: Adur and Worthing and Brighton & Hove Councils are working together to shape this major regeneration scheme via a new Area Action Plan.

2.29 The **Greater Brighton City Deal** has been agreed to help unlock this growth, with major investments planned to alleviate stresses in the City Region's economic infrastructure.

2.30 The **City Region Investment Programme** comprises around **£150m of public sector investment** allocated to projects across the City Region, with considerable private sector match levered. The programme comprises 25 projects which have the potential to deliver 24,000 jobs, 14,000 homes and 750,000 sqm of commercial space across Greater Brighton.

2.31 In addition, via the **One Public Estate Programme**, public bodies are working to use their property as a catalyst to boost economic growth and improve how services are delivered. To date, public property valued at over £2bn is set to be unlocked in the next five years throughout the region.

2.32 Most recently, City Region partners have secured nearly £50m from the government's Housing Infrastructure Fund to support the delivery of six different housing developments across Greater Brighton.

3. Investment and Trade in The City Region: Current Performance

3.1 This chapter provides a summary of recent inward investment and trade performance across the City Region, and an evaluation of the coordination and support mechanisms currently in place.

Inward Investment

Recent Performance

3.2 While consistent and granular intelligence is not currently collected at the local level, review of the available data and consultation highlights that Greater Brighton is currently not achieving its full potential in inward investment terms.

3.3 Over the years Greater Brighton has attracted high quality inward investment with notable successes like Amex. In recent years the Creative, Digital and IT (CDIT) sector has attracted new investors including acquisitions of local start-ups. However, an analysis of DIT's national inward investment successes over the past few years highlights that Greater Brighton is underperforming compared with other locations. Competitors like Bristol/Bath, Reading (Thames Valley) are consistently winning more investment, establishing track records and reputations which encourage further success.

> **Key Message:** Greater Brighton is currently underperforming in attracting investment, with only 17 successes in 2016/17, less than 1% of the UK total.

3.4 Most recent intelligence (summarised overleaf in Table 3.1) highlights that in 2016/17:

- Greater Brighton recorded 17 successes of which 12 were in Brighton & Hove.
- Of the 12 successes in Brighton & Hove in 2016/17, 10 were in the CDIT sectors
    - These included four expansions, three acquisitions and three new investors to Brighton & Hove
    - Brighton's successes represented less than 2% of the UK's total CDIT wins in 2016/17.
- Of the five successes elsewhere in Greater Brighton, four were acquisitions with one expansion and no new investments. These were a mix of precision engineering and healthcare.

- Brighton & Hove and the City Region are underperforming compared to two comparator locations: superior results were recorded in Bristol & Bath and the Thames Valley (mostly Reading).

Table 3.1 Greater Brighton FDI Results: 2013/14 to 2016/17

	2013/14	2014/15	2015/16	2016/17	
				No.	% of UK
Brighton & Hove	Data not available			12	0.5%
Other Greater Brighton				5	0.2%
Greater Brighton Total				**17**	**0.8%**
Comparator Areas:					
Thames V./Reading	76	87	119	112	4.9%
Bristol & Bath	32	37	44	48	2.1%
London		796	889	891	39.3%
Coast to Capital LEP	28	N/A	52	38	1.7%
South East			253	217	9.6%
UK	1,773	1,988	2,213	2,265	100%
Focus on Creative and Digital Industries…					
Brighton & Hove CDIT	N/A	N/A	N/A	10	1.8%
UK – CDIT	400	486	558	569	100%

Note: We have been unable to source results data for Greater Brighton for the years 2013/14 to 2015/16. Looking ahead, stronger evidence collection at the local level will be critical in helping to monitor and benchmark success and progress.

Source: CCA Research, drawn from C2C and DIT data

Assessment of Current Approaches to Inward Investment Across Greater Brighton

3.5 Proactive promotion and support have critical roles to play in generating inward investment interest and success. The key is to have compelling propositions, actively promoted and a business-like approach to responding to opportunities.

3.6 There are a number of organisations currently actively performing inward investment activities within the Greater Brighton area. These are relatively broad in terms of scope and remit and include:

- Local councils (Brighton & Hove, Worthing & Adur, Mid Sussex, Lewes and Crawley) and economic development agencies (e.g. the Newhaven Enterprise Zone)
- Local business and sector networks: such as Brighton & Hove Economic Partnership (BHEP), Adur and Worthing Business Partnership, Coastal West Sussex, the local Chambers of Commerce, and Wired Sussex
- Gatwick Diamond: largely focusing on the north part of the City Region (Mid Sussex and Crawley) and the wider sphere of influence of the airport
- The Invest West Sussex and Locate East Sussex inward investment agencies: together, these cover much of the City Region (Brighton & Hove excepted), but have a broader county level focus
- The Coast to Capital and South East LEPs: again, covering all of the City Region albeit as part of much larger geographies.

3.7 Despite the range of partners active, there is currently no dedicated inward investment team / resource focusing specifically on Greater Brighton. Consultation has highlighted weaknesses in the current investment support landscape for the City Region as a whole. These include:

- **Proposition and identity**: there is currently an absence of a strong value proposition for Greater Brighton, and no clear sector focus.
- **Promotion:** current promotion is typically on a place specific basis (e.g. for the Newhaven Enterprise Zone), and there is currently no active promotion for the City Region geography as a whole; while there is passive promotion through websites such as Brighton for Business, these lack both focus and clear, compelling propositions
- **Coordination and information**: there are currently multiple portals for inward investment enquires, reflecting the range of partners listed above. As a result, it is not immediately obvious who potential investors should contact with enquiries. There are no centralised mechanisms to log and prioritise enquires and to coordinate a tailored response
- **Aftercare**: proactive 'aftercare' engagement is limited, with a lack of a coherent approach to communicating with new and existing investors

- Overall, Greater Brighton is not being positioned as a place for business.

3.8 The national inward investment effort is an important source of prospects. DIT has offices in key markets overseas and sector experts in London should be considered the City Region's sales force. DIT commented on the lack of value propositions from Brighton & Hove and the City Region, and the importance of promoting these to the DIT network in London and overseas.

3.9 The consultation has suggested that the current lack of a coherent and proactive approach to inward investment across the City Region is contributing directly to opportunities being missed, and a failure to maximise inward investment potential.

3.10 The current approach to inward investment in Greater Brighton stands in contrast to comparator areas such as Bristol and Bath and the Thames Valley, both of which have established clear identities and propositions for investors:

Key Message: a lack of a clear proposition, and the absence of a coherent approach to promotion and support, is constraining the ability of the City Region to attract inward investment.

- Bristol & Bath is clearly positioned as a leading UK centre for Creative and Digital – 'UK's leading smart city'; 'Largest digital cluster outside London'
- Thames Valley/Reading bills itself the 'Silicon Valley of Europe' with excellent corporate and other connections with Silicon Valley in California and the main city – San Jose.

3.11 Further information is provided on both comparator areas in the next chapter.

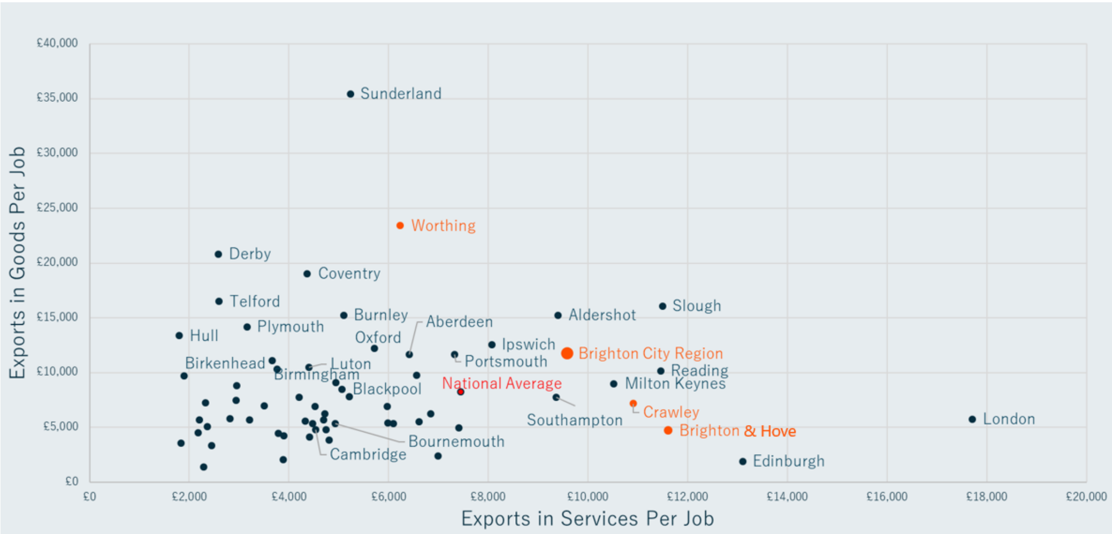
Exports

Recent Performance

3.12 Data from ONS indicates that Greater Brighton has a comparatively strong export economy across its three main economic hubs: Brighton & Hove, Crawley and Worthing. The data also highlights the economic diversity that exists across the area:

- Both Crawley and Brighton & Hove perform comparatively strongly in terms of services exports, ranking 3rd and 6th out of 62 UK cities respectively. In Brighton & Hove, the strong performance is likely to reflect the activities of Amex (whose European HQ is based in Brighton) and the activities of the city's growing creative and digital sector. In Crawley, the export strengths are likely to reflect the concentration of professional and financial and HQ activities located in proximity to Gatwick Airport
- Worthing performs comparatively strongly for 'goods' exports; in a large part this reflects the activities of GSK who are located within the town.

Figure 3.1 Exports per Job; UK Cities



Source: ONS and Centre for Cities

3.13 The EU is by far the biggest destination for exports from UK cities, and the City Region is no exception to this. Around half of exports across the City Region are to the EU, and within this, Brighton & Hove has a comparatively high EU export rate of 53% (compared to a UK average of 46%).

3.14 Given the uncertainty about future trade relationships with the EU (and the rest of the world), it will be important to keep track of the dependence of the City Region, its places, and its sectors on exports. This is particularly the case in the context of Brighton & Hove and Worthing, where large exporting businesses play an integral role in the local economy (Amex and GSK).

Table 3.2 Destination of Exports by City Region Location

	Brighton & Hove	Crawley	Worthing	UK
EU	53%	48%	44%	46%
China	2%	4%	2%	4%
USA	14%	13%	23%	15%
Middle E. & N. Africa	7%	8%	5%	7%

Source: ONS and Centre for Cities

Assessment of Current Support

3.15 There are a number of trade support services available to businesses across the Greater Brighton City Region. The Coast to Capital and Business East Sussex Growth Hubs provides business support and signposting services, as do Invest West Sussex, and Locate East Sussex.

3.16 More local and bespoke support is also available via some of the City Regions business networks (such as Wired Sussex and the Chambers) and workspaces (such as the Werks Group).

3.17 However, our mapping suggests that across Greater Brighton, specialist support for higher growth businesses and exporters, is relatively limited. While specific export support is available via DIT, there is currently limited local signposting to the services that are on offer.

3.18 The consensus among interviewees was that more could be done in this respect, and that the City Region would benefit from a coordinated and concerted effort to encourage local businesses to grow. Evidence from the Tech City 2017 Report shows CDIT company turnover in Brighton growing by 31% 2011 – 2015 whereas in the same period, turnover growth in Bristol was 87% and in Reading 57%.

Key Message: current UK economic uncertainty presents a considerable local threat, potentially influencing the decision making of large employers and on small business growth potential. A supportive business environment is more important than ever.

3.19 DIT pointed to other areas such as Kent where local partners are very active promoting export advice and DIT services. In other locations, there is a greater level of engagement with local businesses, backed by targeted initiative. For example, Kent County Council has also launched a campaign to point local businesses towards opportunities in the offshore wind sector.

3.20 With a few notable exceptions (such as at the Newhaven Enterprise Zone) proactive 'aftercare' engagement is limited across the City Region. This is likely to undermine a perception of Greater Brighton as a destination where business investment and growth is welcomed and supported.

The Case for Action

3.21 To better realise its economic potential, Greater Brighton needs to be perceived as a location which welcomes, values and supports business investment and growth. It needs to evolve to become recognised as an attractive investment location alongside its long-established reputation as a visitor destination.

3.22 There is a strong case for intervention by City Region partners to help this potential to be realised:

- **Greater Brighton is currently underperforming in terms of inward investment:** the attractiveness of Greater Brighton as a location for investment is highlighted by the fact that there have been a number of inward investment 'successes' across the City Region over the past year. Consultation has however, highlighted that there is currently very little proactive action driving the quality or strategic relevance of investments. As a result, the full potential of the City Region as an investment location is not being maximised
- **Competition for investment is increasing both nationally and internationally:** It is also clear that Greater Brighton will continue to face stiff competition from other UK locations and from overseas locations targeting key sectors such as Creative and Digital services and Professional and Financial services. The Tech City 2017 report for example, lists a number of UK locations working to grow their technology sectors many of which (such as Bristol, Manchester, Sheffield and Edinburgh) have active inward investment programmes. Without a proactive effort, Greater Brighton is unlikely to attract the number and quality of investors necessary to build the area's longer-term image as a 'go-to' destination
- **Exports and business growth have important roles to play in driving the future economic vitality of the City Region:** the current macro-economic context, and uncertainty in future UK trade dynamics present both opportunities and threats for the City Region economy. While supporting business growth and international trade has been identified as a national priority for the government, Brexit will bear a significant influence on the decision making and activities of individual firms over the coming years. In Greater Brighton, this is relevant both for larger employers who trade internationally, and also smaller businesses who have aspirations to grow and trade internationally. In this context, providing a supportive business environment that recognises and engages with the needs of different segments of the economy is more important than ever.

3.23 Intervention is needed to provide a proactive response to these challenges; better communicating and exploiting the City Region's potential for growth, and providing mitigation to areas of challenge.

4. Learning from Elsewhere

4.1 Across the UK there are numerous examples of local areas taking a proactive approach to supporting inward investment and trade. Some of the most relevant examples for Greater Brighton are introduced over the following pages.

Invest Bristol & Bath

Invest Bristol and Bath lead on inward investment attraction for the West of England LEP recognising the strength of the Bristol and Bath brands.

They have a clear sector focus: 'Bristol & Bath is one of the strongest economies in Europe and is home to globally recognised clusters in Aerospace & Advanced Engineering, High Tech, Creative & Digital, Low Carbon Technologies and Financial and Professional Business Services.'

IBB has a team of 10 with significant experience in inward investment.

An attractive, user-friendly website sets out key propositions peppered with high level, attention-grabbing facts:

- *'In Bristol & Bath, more people are employed in knowledge based intensive businesses than Oxford and Cambridge combined (ONS)'.*
- *'Bristol & Bath is the largest cluster for tech and digital employment in the UK outside of London with particular strengths in software development, data management and analytics (TechNation 2015)'*
- *'The University of Bristol is ranked 29th in the world and 8th in the UK (QS World Rankings 2014).'*
- *'The University of Bath is ranked 4th in the UK (The Guardian 2014)'*

Invest Bristol and Bath has benefited from a budget commitment over an extended period to allow for momentum to be generated. Results have been strong, with a marked increase in inward investment successes in recent years. See Table 3.1.

Thames Valley UK

Thames Valley Chamber has led on inward investment attraction for many years and has an experienced team and a highly professional approach. The inward investment proposition is very effectively communicated on a dedicated website.

The area is clearly positioned as close to London, a short train/car journey from Heathrow. It is branded as 'the Silicon Valley of Europe' and this is backed up with references to a large number of FDI investors from Silicon Valley in California including market leaders like Oracle, Microsoft and Dell.

There is a detailed, clear sector focus: 'From motorsport to life sciences, from the space industry to energy, and from IT to finance'. The website reveals a clear set of propositions with high-level boasts supported by more detailed facts about each target sector and sub-sector:

- *The fastest growing economy during 2017-19 (EY UK & regions economic forecast 2016)*
- *Widely viewed as the number one region (outside of London) for attracting inward investment*
- *Top performing small region in the UK (Financial Times – cities & regions of the future)*
- *Deemed the fourth best location for economic expansion and business growth and joint top for 'most productive' and 'most entrepreneurial' (UK Vitality Index 2016)*
- Life Sciences & Health: *The Thames Valley is home to over 150 major LSH companies and is located at the heart of a world famous LSH cluster known as the "golden triangle"*
- Technology/Digital: *More than 8,000 technology-led companies are based in the region, making 'the UK's Silicon Valley' one of Europe's strongest knowledge economies.*

Thames Valley works closely with DIT on both inward investment and trade promotion of export advice and opportunities.

Invest in Manchester

Manchester has been at the forefront of city promotion in the UK for many years. Inward investment promotion is delivered by **MIDAS** a dedicated promotion agency. The structure in Manchester is sophisticated. MIDAS is now part of The Growth Company which works with businesses already based in the Manchester City Region. This offers a range of services from relocation and support on arrival through their 'Hello Manchester' soft landing programme; to business growth products working with DIT and their own trade consultants; to finance and funding.

They are funded by the local authorities in Greater Manchester though the funding and governance structure is not publicly available. Promotion of (Greater) Manchester for inward investment, sits alongside events and tourism, promoted in parallel through the same website.

For inward investment Manchester is positioned as:

- *Europe's top city for business competitiveness (KPMG Competitive Alternatives}*
- *Attracting more foreign direct investment in the past decade than any other city outside of London. Home to over 2,000 foreign owned companies including Kellogg's, PZ Cussons, Siemens, BNY Mellon, Google*.

Again, sector priorities clear, with fact sheets online setting out strong value propositions: Advanced Manufacturing -Graphene Membrane; Logistics; Creative, Digital & Technology - TV & Film Production; Energy & Environment; Financial, Professional & Business Services; Life Science & Healthcare.

Each sector has a dedicated go-to person heading the team e.g. Head of Business Development - Creative, Digital & Tech. Creative Digital 'pitch':

- *Top 20 European Digital* City (MediaCityUK)
- *7,500 creative & tech companies; 82,300 people working in the creative/tech sector.*

Inward investment promotion is part of an **integrated website** which provides a single brand, identity and portal for: Visit Manchester (tourism information), Meet In Manchester (business tourism), and Study in Manchester (HE information).

5. Recommendations: New Resource to Support Trade and Inward Investment Across Greater Brighton

5.1 Greater Brighton has a strong offer to communicate to inward investors and can do more to encourage local businesses to grow through international trade. This needs a skilled, dedicated resource acting as gateway to trade and investment information, enquiries and support.

5.2 Two related actions have been identified to help Greater Brighton better realise its trade and investment potential:

1) Establish a new Greater Brighton Trade and Invest Team

2) Delivery of the City Hall for Business project as a central hub for Greater Brighton trade and investment activities, with potential for 'satellite' hubs elsewhere in the City Region.

Action 1. A Greater Brighton Trade and Invest Team

5.3 The principle of a dedicated **Greater Brighton Trade and Invest Team** has received support from partners across the City Region, and is the priority of this strategy. Further work is needed to ensure buy-in from each of the City Region's constituent authorities and to establish clear operational and financial models.

5.4 The team would provide a dedicated resource working with local partners (the councils, business networks, and businesses themselves) plus Coast to Capital, Gatwick Diamond and DIT to deliver a business/investor friendly support service. The team would be positioned as the lead body for trade and investment for the Greater Brighton geography, with protocols in place to ensure transparency and collaboration with local partners (particularly where there are existing inward investment and trade activities taking place locally).

Greater Brighton Trade and Invest Team: A Dual Remit

While inward investment and international trade are distinct policy areas, there are also close synergies and dynamics between the two; not least in terms of the importance of consistent messaging on growth aspirations, strong insight and intelligence on the local business / economic landscape, and a coordinated approach to business engagement and dialogue.

The 'dual' remit of the proposed Greater Brighton Trade and Invest Team reflects these synergies, and replicates successful models developed elsewhere in the UK (e.g. Bristol and Bath and East Sussex).

A coordinated and coherent approach to both investment and trade has the potential to play an important role in supporting economic growth and vitality; both by attracting new jobs and businesses to the City Region, and by helping existing (and new) businesses to grow.

That said, close attention will need to be placed on the final design of the team / service to ensure that inward investment and trade remits are balanced; this will also require ongoing monitoring and evaluation once the team / service is operational.

Trade and Invest Team Purpose

5.5 The team should focus on:

- **Attracting more Inward Investment** – promoting Greater Brighton; generating more leads; and converting more effectively from lead to success.
- **Supporting and encouraging expansions** by existing foreign and locally owned facilities – building a Brighton Aftercare Programme, engaging key businesses and supporting potential expansions.
- **Encouraging more businesses to trade internationally** – engaging with more local high growth businesses, connecting them to local sources of expertise and to DIT programmes and overseas posts.

5.6 Put simply, a Greater Brighton Trade and Invest Team should provide a renewed inward investment and trade focus for the City Region, with clearly articulated propositions which build on location, skills, and sector strengths. The team should lead a programme of engagement with local businesses particularly those with the potential for growth including through exports. It should provide a central point of contact, build on strengths and capacity of local partners, and provide strong connections with national and regional partners.

5.7 The Greater Brighton Trade and Invest Team's promotion and business engagement would present Greater Brighton as a business destination. It should lead a new 'Aftercare' or 'Business Engagement' programme establishing regular contact and dialogue with the City Regions largest exporters (by employment), and the businesses with the strongest growth potential (in terms of employment and value). With the team numbers proposed below this programme would start with a 'top' 30 based on level of exports and/or growth potential but rising to 60 over 5 years. Focusing resource on businesses which bear / have the potential to bear the greatest economic footprint locally has clear advantages

5.8 The image of Greater Brighton as a business destination could also be enhanced by the development of a cadre of 'Business Ambassadors', high profile business ambassadors who represent the City Region's key sectors and who can play an active role in shaping the propositions and in showcasing the area.

Trade and Invest Team Remit

5.9 The Team should have the following inward investment remit, coordinating all the time with existing inward investment activities taking place locally and filling gaps where necessary:

- Redesign, relaunch and maintain compelling Inward Investment propositions for Greater Brighton
- Deliver high quality, coordinated, consistent responses to enquiries
- Lead and coordinate investor visits to Greater Brighton
- Promote area to C2C, overseas Foreign and Commonwealth Offices / DIT posts in key markets
- Run strategic marketing campaigns
- Use business ambassadors to represent the City Region's key sectors and to play an active role in shaping the propositions and in showcasing the area.

5.10 The team should also have an important remit to support existing and new businesses in trade and growth:

- Build Customer Relationship Management (CRM) systems & intelligence on local businesses
- Coordinate & lead aftercare programme engaging key local businesses
- Establish strong connections and working relationships with trade bodies on the ground and use connections to promote trade/export opportunities to businesses
- Work with existing providers and local business networks such as the LEPs, the Chambers, Wired Sussex, BHEP and Coastal West Sussex to establish a better understanding of the growth and trade support needs of City Region businesses.
- Ensure that signposting and links to existing business trade and growth support services are as clear as possible. Where clear need exists, work with the councils, LEP, DIT and universities to design bespoke and targeted support services / initiatives.

5.11 More generally, the team should look to work closely with the councils and wider economic partners to ensure the sharing of intelligence and insights on strategic development aspirations, opportunities and needs. This is particularly the case in terms of:

- Providing investors with consistent information on local regeneration / development opportunities
- Working with developers and agents to secure the delivery of new space which more closely reflects evolving / emerging investor demand across the City Region.

Geography

5.12 The team will be the go-to Trade and Investment agency for the whole City Region, building on the strengths in each part of the area: including the Enterprise Zone in Newhaven; the strong Business Services and CDIT sectors in Brighton & Hove, Crawley and Gatwick; and the precision engineering and higher value manufacturing strengths elsewhere across the City Region.

5.13 While covering the whole City Region, it will be important that the Trade and Invest Team recognises and structures its activity around two distinct economic hubs illustrated in Figure 5.1:

1) 'Greater Brighton' will offer a strong brand on which to build recognition of the region's attractions. This branding will build on the ease of access to London and Gatwick, recognise Brighton & Hove as the economic heart of the City Region, and position the City Region within the C2C, London and Greater South-East contexts.

2) Gatwick: the Greater Brighton brand should operate alongside the well-established 'Gatwick' brand which covers Crawley and Mid Sussex in the north of the City Region. The focus should be on complementing and collaborating with the activities of the Gatwick Diamond (not duplicating or conflicting with them).

Figure 5.1 Dual Brands: Greater Brighton and Gatwick

Source: Regeneris Consulting, 2018

Greater Brighton Brand: Ensuring Consistency and Buy-in

5.14 Establishing a clear and agreed inward investment brand will be an important early task. As a general point, it is important that maximum value is gained from geographically specific names of Brighton and Gatwick, which both offer instantly recognisable and well-established brands.

5.15 Wherever possible, consistency and simplicity in messaging should be sought. Ideally, there would be consistency with wider tourism branding activities, with the Trade and Invest Team working closely with Visit Brighton and Love Sussex in this respect. For inward investors the proximity to London will be a key selling point.

5.16 The potential to offer a single website which provides information for investors, leisure and business tourism, and students should also be explored (in line with the Invest in Manchester example).

Team Structure and Partnership Working

5.17 The Trade and Invest Team will need skilled, commercially-minded people focused on results.

5.18 For the above roles and remits to be delivered effectively, a team of six would be ideal. This takes into account experience elsewhere across the UK (e.g. Invest Bristol and Bath which has a core team of 10), and the comparative size and diversity of the Greater Brighton area.

5.19 Key roles could include:

- **Head of Team**: manages team; leads on key investment projects; liaises with key local businesses, the five councils, the Greater Brighton Economic Board, C2C, DIT, Gatwick Diamond and local partners
- **Business Managers**: proposition development; responding to enquiries; engaging with local businesses. Business managers may be responsible for either specific sectors or specific locations within the City Region, or both
- **Marketing Manager**: maintains web content; drives social media; identifies promotion opportunities in coordination with team; develops targeted media in coordination with BHCC and C2C
- **Research / data assistant**: responsible for collecting evidence to support the activities of the managers and the head of team.

5.20 Scrutiny of the team's activities would sit with the Greater Brighton Economic Board, while there would be a need for day-to-day information sharing and partnership working with the six City Region authorities.

5.21 To be successful the team will need to work closely with the numerous business networks and stakeholders active across the area. These include: DIT, Coast to Capital, the Gatwick Diamond, Wired Sussex, BHEP and Coastal West Sussex, the Manor Royal BID, and the Chambers. Successful partnership working is likely to require buy in from each of the partners, and a proactive and open approach to information sharing as illustrated in Figure 5.2.

Figure 5.2 Proposed Greater Brighton Trade and Invest Team Structure

Source: Regeneris Consulting, 2018

Resource Requirements

5.22 The resource required for the effective operation of the team would ultimately depend on the scale of the team and its remit and activities. This will require further scoping as part of the development of a clear business plan.

5.23 While costs and results should be reviewed annually, business planning should focus on an initial five-year period. A longer-term commitment of this nature would ensure the team has adequate time to set up, establish itself and demonstrate its worth.

5.24 For indicative purposes, potential costs have been identified based on the team of six outlined in the previous section, and based on expenditure of trade and invest teams elsewhere in the UK. A cost of around £360,000 is projected in year one, increasing to £450,000 by year five (reflecting increases in marketing costs and wider expenses), illustrated in Table 5.1. It has been assumed that the team would be accommodated rent-free within public sector premises.

5.25 While certain posts (e.g. the Head of Team and Business Managers) would require specialist investment and trade expertise, other posts might be filled via a reorientation of existing resources.

Table 5.1 Indicative Costs

	£ 000s				
	Year 1	**Year 2**	**Year 3**	**Year 4**	**Year 5**
Staff	270	278	286	295	304
Marketing	20	30	40	50	50
Events, delegations, visitors	20	30	40	50	50
Other – travel, ops	20	30	40	40	40
Contingency 10 %	33	37	41	43	44
Total costs	363	405	447	478	488

Source: CCA.

Notes:

- *Marketing costs would cover - attending sector specific events and PR/media; promoting Greater Brighton at key sector events attended by potential inward investors (e.g. including Creative Digital events in London); media releases - targeting sector media including strategic advertorials.*
- *'Events, delegations, visitors' costs would cover promotional and hosting costs in Greater Brighton: high quality hosting of incoming delegations of businesses; ditto for key potential investors visiting Greater Brighton; funding export awareness events with DIT; attracting conferences in priority sector to Brighton.*

Funding Models

5.26 There are a number of possible options for securing the level of resource outlined above:

- Contributions from Greater Brighton partners (taking into account size of area / remit of partner, and expected returns)
- External funding sources (e.g. central government and EU)
- Commercial models (e.g. business contributions / charging).

5.27 Within the region some local authorities are working to attract inward investment in their own areas; some have designated staff and others have contracts in place to promote the locality. The new team once it is created will need to be sensitive to these existing arrangements and work to complement rather than detract from them.

5.28 In this context, it is therefore proposed that officers seek to secure external funds to create the team and explore potential to generate commercial revenue to sustain operations over the longer term.

5.29 A number of immediate funding opportunities exist, including funding from the ERDF 2014-20 programme, funding from the ERDF Innovative Urban Actions Fund, and funding from the UK government's Coastal Communities Fund.

5.30 External funding could be sought to cover both the core activities of the Trade and Invest Team, and wider complementary activities (such as the team of Business Ambassadors).

Measuring Success

5.31 It will be important for the team to closely monitor its progress in generating leads, supporting investments and providing aftercare support. Good evidence will help underpin the case for the ongoing operation of the team, and will enable positive messages to be articulated to external audiences regarding the economic vitality and success of the City Region.

5.32 An indicative mapping of the outcomes which the Trade and Invest Team might be expected to generate over the first five years is provided below in Table 5.2. The build-up in activity reflects:

- A baseline: 'as we are' - based on the data provided for past successes
- Year 1: the team finalising compelling propositions; marketing these to DIT; building relationships with key DIT team in London and overseas; putting Greater Brighton 'on the map'; an initial increase in enquiries
- Year 2-5: steady increases in enquiries
- Lag: from experience, the lag from initial enquiry to success can take two to four years; a key task for the team will be to monitor progress and refine the Greater Brighton offer.

Table 5.2 Greater Brighton Trade and Invest Team: Indicative Five-Year Outcomes

	Year 1	Year 2	Year 3	Year 4	Year 5
Indicative project leads generated:					
DIT /C2C	35	40	45	60	60
Own leads	10	20	35	45	45
Aftercare leads	10	20	30	30	30
Total	55	80	110	135	135
Indicative Successes:					
Successes (2016/17: 17)	22	24	27	30	33
Indicative Economic Returns:					
Jobs (25/investment)	550	600	675	750	825
Cost per job	£ 660	£ 675	£ 662	£ 637	£ 592

Note: *Analysis based on experience of II forecasting, lags in the process, conversation rates etc. Bristol and Bath experience also taken into consideration. Numbers are based on a team as set out and assumes they positions filled with people with commercial or ideally II experience. A lag has been factored in between hiring and stepping up engagement, plus the lag between engaging a prospect or enquiry to a decision to invest. Lead generation split into:*

- *DIT sourced: increase in numbers reflected strong propositions and partnership working*
- *Own leads: a raised profile with a better web site, more persuasive value propositions and a media campaign should attract interest from UK businesses and FDIs direct*
- *Aftercare leads: crucial for Greater Brighton to step up engagement; generally, leads to more expansion opportunities being uncovered, supported and therefore eligible to be claimed legitimately as successes. These tend to have a higher conversion rate.*

Job estimates modelled using a conservative figure of 25 jobs per project to reflect

- *The trend towards smaller FDI projects per DIT figures and*
- *The likelihood of a sizeable share of successes being CDIT where projects tend to be small/medium in job numbers.*

Source: CCA

Action 2. City Hall for Business

5.33 There is an exciting opportunity to establish a physical hub for a new Trade and Invest Team, and its day-to-day activities at Brighton Town Hall.

5.34 The Grade II listed building in Bartholomew Square in Central Brighton is currently underused and funding has been approved by Brighton & Hove City Council to refurbish the asset as a multi-sector hub for business growth, international trade, inward investment activity and destination marketing. There are also proposals for the refurbished building to accommodate a high-quality restaurant, business workspace, and space for events (meetings and conferences) within the former council chamber.

5.35 The proposed refurbishment presents an opportunity to provide a highly visible home for the new Trade and Invest Team, and a high-quality facility from which to showcase Greater Brighton as a business investment destination.

City Hall for Business Function

5.36 The City Hall for Business would:

- Accommodate the proposed Trade and Invest Team
- Potentially accommodate other local partners like BHEP, and act as a 'virtual hub' for wider partners (e.g. DIT, C2C and the C2C Business Navigator)
- Respond to enquiries with quick access to partners to ensure high quality responses
- Host visiting delegations / investors
- Act as a central and visible 'go to' hub for export and business growth advice
- Host business networking events and support workshops
- Host regular DIT events.

Ensuring A Greater Brighton Wide Presence

5.37 While Brighton & Hove and the town hall provide a natural home and focal point for the Trade and Invest Team, it is critical that the service is established in a way which reflects its City Region wide remit. This should include:

- Ensuring that the town hall is easily accessible to City Region partners
- Exploring the potential for members of the Trade and Invest Team to work within each of the City Region boroughs / districts at least one day a week. The potential for a 'virtual' presence at some of the City Region's key investment opportunities, such as the Newhaven Enterprise Zone might be explored

- Working in partnership with Gatwick Diamond to explore the potential for a 'satellite' facility at Gatwick / Crawley. This would help ensure a City Region wide approach, with activities of the City Region trade and investment activities complementing and strengthening those of Gatwick / northern City Region partners.

6. Towards a Greater Brighton Inward Investment Proposition

6.1 The development and communication of compelling inward investment propositions will be central to the activities of the Greater Brighton Trade and Invest team. These will need to sell Greater Brighton as a whole, while also providing information on its constituent places, sectors and opportunities.

What Makes a Successful Investment Proposition?

6.2 Successful propositions require:

- **Clarity:** the best propositions have a very clear and simple idea, conveyed in a succinct and business-like fashion. It should be memorable and meaningful.
- **Scale:** the proposition should address the advantages at an optimum and appropriate scale of geography. This may be at the City Region or LEP level, but it might be at a national, regional, sub-regional or local one.
- **Facts:** the proposition must be believable and based on clear facts and evidence. It must be supported by statistics, stories and third-party validation in the form of quotes and case studies.
- **Consistency:** an effective proposition emerges and evolves over a period of time. A proposition should be adopted by as many other partners and people as possible, ensuring that multiple voices expose many audiences to the same themes over a sustained period.

Learning from Elsewhere

6.3 While inward investment propositions must be truly place specific, focus is typically placed on a relatively small number of key themes which matter to investors: connections, the nature of the business environment, the specialisation of the local economy, and quality of life factors.

6.4 The examples overleaf demonstrate these points.

Waterloo, Canada

The city of Waterloo promotes itself as 'Canada's Innovation Capital' and is a fast-growing tech cluster attracting significant attention and investment. It is known as the headquarters of Blackberry and has a vibrant start-up scene in part fuelled by University of Waterloo's reputation as home to one of the world's best computing departments.

The region's economic development agency is active in promoting the area. The Waterloo proposition is summed up as being about "*People Power*". Many secondary messages used relate to the national or provincial strengths rather than local ones (e.g. *"Lowest business costs in the G7"; "Access to North American Market and Global Market"* and *"Canadian Investment Environment".*

Recognising the advantages of scale and the power of super city brands, on the international stage, Waterloo is increasingly joining forces with Toronto to market itself as the Toronto-Waterloo Corridor (https://thecorridor.ca) which boasts *"112km of innovation".* www.waterlooedc.ca

Invest in Ireland

IDA Ireland, has long been associated with inward investment best practice. The continued success of the agency in attracting high-value projects, is due in part to the clarity and consistency of the Irish proposition.

For several years the agency adopted the top line messages of the '3Ts': **Tax**, **Talent** and **Track record**. The proposition has been applied and used for all target sectors and across all marketing and communications. In 2015, the IDA expanded their core umbrella proposition to include '3Es' (**Europe**; **Ease of Doing Business** and **Education**) and '3Cs' (**Cities and Clusters**; **Connected Research** & **Cutting-edge Companies**).

These nine elements form the core of Ireland's overarching inward investment proposition.

The proposition is articulated in various ways using social media, video, slides and print.

www.idaireland.com

Locate in Kent

Kent offers an interesting comparator for Greater Brighton given its location, status, and demographics. The county's inward investment team is also one of the best regarded with many years of success and considerable resources behind them.

Locate in Kent's headline inward investment proposition has always been about '**Connectivity**' accentuating its geography and often using the line: ***"Perfectly placed between London and Europe with unrivalled connectivity between the two, Kent is a key trading gateway to the rest of the world."***

Locate in Kent has always embraced their London proximity as a key selling point. *"Kent is just 18 minutes from London and Continental Europe is just 35 minutes away."* www.locateinkent.com

Greater Brighton: Components of an Investment Proposition

Connected
- International and national connections
- High-quality digital infrastructure

Open
- Welcoming to all
- Supportive business environment
- Thriving networks and clusters

Smart
- Modern places embracing disruption & innovation
- Unique research assets
- World-class talent

Beautiful
- Coast & Downs
- Towns & City
- Excellent quality of life
- Internationally significant culture

Sector Propositions:
Intelligence on key clusters, including the businesses & networks in situ, the space and places on offer, and access to relevant talent:
- **Core sectors:** Creative and digital services, financial and professional services, logistics and transport services, advanced engineering and manufacturing
- **Nascent sectors**: advanced urban services, green energy, marine & environmental technology, life sciences & bio-innovation.

Place Propositions:
Intelligence on the offer of Greater Brighton's economic hubs, including space, connections, networks, clusters, and incentives:
- Brighton & Hove, Crawley and Manor Royal, Newhaven, Worthing and Shoreham, Haywards Heath & Burgess Hill.

Communicating Scale and Critical Mass

6.5 Given that Greater Brighton is still a relatively 'young' concept, it is important that the proposition communicates clearly the scope and scale of the geography. The considerable critical mass provided by working across a larger area is an advantage which should not be ignored or underplayed: The Greater Brighton area is comparable in size to Bristol and Bath, to Greater Manchester and to Silicon Valley.

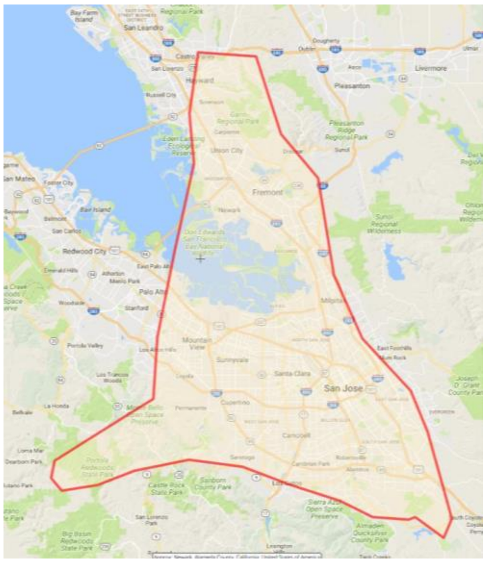
Figure 6.1 Greater Brighton: Scale in Context

Greater Brighton

...versus Bristol and Bath

...versus Greater Manchester

...versus Silicon Valley



Source: Regeneris Consulting, 2018

The Importance of Powerful Messages

6.6 Any strong inward investment proposition should be underpinned by strong positive messaging which encapsulate the strength and breadth of the offer and opportunity. The strength and vitality of the Greater Brighton economy provides a strong platform from which to build in this respect.

6.7 Examples and initial ideas are provided below; an important task for the Greater Brighton Trade and Invest Team would be to review and update these on an ongoing basis.

Greater Brighton Inward Investment Proposition: Positive Messages

Sectors and clusters:

- *Leading international businesses in technology, finance, and other sectors located throughout the city region, including AMEX, Roche Diagnostics, Edwards Vacuum Solutions, and Stabilitech*
- *Gatwick is home to a major cluster of global brands including ExxonMobil, Unilever, Nestle, Elekta and Doosan*
- *Worthing is exporter of national importance, centred on pharmaceutical and life science cluster anchored by GSK*
- *Newhaven Enterprise Zone is developing a specialism in advanced manufacturing (incorporating innovative clean tech / green energy businesses) linked to the Rampion Offshore Wind Farm and the University Technical College. This includes world-leading companies such as Surrey NanoSystems, as well as fast-growing companies including CTEC Energy, Boutique Modern, Tintab.*
- *"Brighton is where the arts fuse with technology"* – Tech Nation, 2017
- *Brighton & Hove. more home workers than any other UK city and ranked by NESTA as one of the UK's leading cities for entrepreneurial activity*
- *Innovation: Crawley is in the top ten locations national for patent applications; Brighton ranks 5th in the UK innovation index.*

Connections:

- *Greater Brighton: connected to more over 200 international destinations via Gatwick: more than anywhere else in the UK*
- *Around 400,000 international passenger movements through Newhaven port in 2016, and freight throughput of over 2 million tonnes per year at both Shoreham and Newhaven ports*
- *Worthing: ranked number 1 of UK cities for ultra-fast broadband*
- *Burgess Hill is one of just 15 locations nationally to be awarded funding from the Government's Local Full Fibre Network (LFFN) fund to deploy gigabit-capable full fibre infrastructure*
- *Adur and Worthing are leading West Sussex's plans to develop an ultra-fast dark fibre network.*

Assets and Investment:

- *The 5G Digital Catapult Centre: the only place in the south of England where business can experiment with 5G technology*
- *Brighton & Hove: home to two internationally recognised universities, and over 35,000 students*
- *City Region Investment Programme: over £150m public sector investment delivering over 750,000 sq m commercial space and 14,000 new homes*
- *Planned investment in excess of £60 million in the Newhaven Enterprise Zone, delivering 55,000sqm of new commercial floorspace, refurbishing 15,000sqm of existing commercial floorspace and creating/safeguarding up to 2,000 FTE jobs.*
- *The most ambitious strategic growth area in the South East at Burgess Hill, with over £1 billion of public and private investment delivering 15,000 jobs, 25 hectares of employment space across two business parks, 100,000m2 Science and Technology Park, and improvements to infrastructure*

Workforce:

- *Crawley and Worthing have the highest proportion of residents in employment than anywhere else in the UK*
- *Crawley, Brighton & Hove and Worthing have among the lowest percentage of their populations with no formal qualification*
- *Brighton & Hove has the 4th most highly qualified residents of all cities in England*

Place and Culture:

- *Home to a UNESCO Biosphere and the UK's most popular National Park, the South Downs, with 39 million visitor days a year, along with many other natural assets including the High Weald Area of Outstanding Natural Beauty and Ashdown Forest*
- *Brighton & Hove and Worthing have among the lowest emission per capita nationally*
- *An internationally recognised cultural offer: the Brighton Festival is one of Europe's leading art's festivals; Glyndebourne hosts the internationally renowned Glynebourne Festival Opera; Worthing plays host to the annual Summer of Circus and is home to a nationally significant costume collection and exotic plant collection at Highdown.*

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GREATER BRIGHTON ECONOMIC BOARD	Agenda Item 34

Subject:		**Greater Brighton Economic Board Operational Arrangements for 2018/19**	
Date of Meeting:		**17 April 2018**	
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 2018/19.

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 6 February 2018, is attached as Appendix 1.

2. RECOMMENDATIONS:

That the Board:

2.1 Agree and secure the budgetary contributions sought to fund the cost of running the Board and delivering its workplan in 2018/19;

2.2 Note the current workplan and agree the projects/activities prioritised for funding;

2.3 Agree that Brighton & Hove City Council shall continue to act as Lead Authority for the Board in 2018/19 and 2019/20;

2.4 Agree the process by which the Chair of the Board shall be nominated for 2018/19;

2.5 Note the date by which the Lead Authority must be notified of all named substitutes and instruct any necessary actions within their respective organisations;

2.6 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;

2.7 Note that the Annual Report will be drafted for presentation to the Board at its first meeting in the new municipal year;

2.8 Requests that Greater Brighton Officers develop a 4-5 year plan that outlines the next steps for the future development of the Board alongside a sustainable model for supporting the Board in the medium term, and;

2.9 Agrees that as part of the 4-5 year plan outlined in (8) the future business membership of the Board is considered.

3. CONTEXT AND BACKGROUND INFORMATION:

3.1 The budget to support the running costs of the Board in 2017/18 was £250,605 (inclusive of the 2016/17 roll-over of £94,171). The actual spend as at 27 March 2018 is £130,108, which means a carry-forward of £120,497. This underspend is due mainly to significantly lower than forecast salary costs as appointment for the part time Business Manager and part time Programme Support Officer took longer than expected and happened late in the financial year. A breakdown of the 2017/18 forecast, budgetary contributions and spend is attached as Appendix 2.

3.2 It is proposed that the underspend, which totals £120,497 and includes the unused contingency (£3,655), be rolled-over into 2018/19; with £34,271 reserved as a contingency fund and the remaining £86,226 used towards the cost of running the Board and the delivery of its workplan.

3.3 The work-plan has grown significantly since the Board's inception in March 2014. The suggested work-plan for 2018/19 is attached as Appendix 5. In a bid to ensure that costs for contributing member organisations are kept to an acceptable level, it is proposed that the 2018/19 contributions sought from Board members be the same as in 2017/18, and that projects/activities be prioritised accordingly.

3.4 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	2018/19 Contribution
Coast to Capital LEP	£7,500.00
South Downs National Park Authority	£7,500.00
University of Sussex	£7,500.00
University of Brighton	£7,500.00
Greater Brighton Metropolitan College	£7,500.00
Gatwick Airport Ltd	£7,500.00
Adur District Council	£12,345.00
Brighton & Hove City Council	£53,406.00
Crawley Borough Council	£21,130.00
Worthing Borough Council	£19,215.00
Lewes District Council	£17,734.00
Mid Sussex District Council	£11,234.00
Total 2018/19 Contributions	**£180,064.00**
Carry-forward from 2017/18	**£120,497.19**
Total Budget for 2018/19	**£300,561.19**

3.5 Appendix 3 outlines the approach used in 2018/19 to develop the contributions that are being sought.

3.6 The budget to support the running costs of the Board in 2018/19 therefore totals £300,561. It is proposed that this be allocated as follows:

Running Costs	
Salary costs (including on-costs) and expenses (inclusive of 2% inflationary rise) *As of 6 March 2018, Greater Brighton is supported by a full complement of staff: 1 full time Business Manager, 1 part time (2.5 days per week) Business Manager and 1 part time (2.5 days per week) Programme Support Officer. This is based on a 3-year fixed-term.*	£103,020.00
Finance support (inclusive of 2% inflationary rise)	£7,202.13
Legal support (inclusive of 2% inflationary rise)	£9,864.94

Communications support *Communications support has been provided by Adur & Worthing Councils for the last 3 years. The Adur & Worthing Communications Team has prepared a proposal around providing an enhanced communications service to increase support for the Board's activities. This proposal is currently being reviewed, so the £10,500 currently budgeted may increase.*	£10,500.00
Annual report, printing and other materials	£5,000.00
Democratic Services support (administrative) (inclusive of 2% inflationary rise)	£4,203.22
Scrutiny (charged £500 (excluding venue) on a 'pay as you go' basis)	£2,000.00
Venue hire, hospitality and refreshments	£3,000.00
Additional costs e.g. IT, travel	£1,500.00
Total running costs	***£146,290.29***
Work Plan	
Transport Infrastructure *Analysis and articulation of Greater Brighton's transport priorities, and explore opportunities for improved City Region transport*	£10,000.00
Digital Infrastructure *Development of a Greater Brighton Digital Connectivity Delivery Plan, to include the drafting of a bid to the Department for Culture, Media & Sport's 'full-fibre' broadband initiatives fund*	£10,000.00
Water & Energy Plan *Development of a Greater Brighton Water & Energy Plan, linked to the Investment Programme/Pipeline and Local Plans, working in partnership with the Brighton & Lewes Downs Biosphere Board, Southern and South East Water and UK Power Networks and other local suppliers*	£10,000.00
Skills & Employment *Development of a Greater Brighton Skills & Employment Plan*	£10,000.00

ESIF Business Support Bid *One-off contribution towards the 100% match-fund requirement (totalling £6m) for the region's European Regional Development Fund Business Support bid*	£30,000.00
Establishing an Inward Investment & Export Team *The suggestion is that £50,000 be allocated towards implementing the recommendations, and will be used for engaging in inward investment activity while work to resource the new team is underway*	£50,000.00
Total Work Plan	***£120,000.00***
Total Running Costs (from previous page)	*£146,290.29*
Contingency	£34,270.90
Grand Total	**£300,561.19**

LEAD AUTHORITY:

3.7 On 19 April 2016, the Board agreed that Brighton & Hove City Council continue to act as Lead Authority for 2016/17, and on 25 April 2017 it was agreed that this arrangement would continue for 2017/18.

3.8 As outlined in section 1.8 of the HoTs, lead authority arrangements are formally reviewed every two years, so therefore need to be reviewed for 2018/19 and 2019/20.

3.9 As directed by the Board's HoT, in February 2018, each local authority represented on the Board was invited to submit an expression of interest in fulfilling the role of Lead Authority for 2018/19 and 2019/20.

3.10 One expression of interest was received and that was from Brighton & Hove City Council. The recommendation made in 2.1 (3) is therefore that Brighton & Hove City Council continue as Lead Authority in 2018/19 and 2019/20.

2017/18 BOARD MEETING DATES:

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

- 17 July 2018
- 16 October 2018
- 29 January 2019
- 26 March 2019

3.12 As in 2017/18, it is proposed that all meetings will commence at 10:00 and be held in alternating locations across the City Region.

MEMBERSHIP AND CHAIRPERSON:

3.13 Local elections are due in May 2018. A number of seats across the City Region are up including in Adur District Council, Crawley Borough Council and Worthing Borough Council. This may result in changes to the Board's make-up.

3.14 On 31 March 2017, City College Brighton and Hove and Northbrook College merged to form the Greater Brighton Metropolitan College (GBMet). The City Region now comprises three further education colleges; Plumpton College, Sussex Downs College and GBMet. The Chief Executive Officers/Principals of these colleges have confirmed that Nick Juba, Chief Executive Officer of GBMet, will represent their sector on the Board in 2017/18, and this arrangement will continue for 2018/19.

3.15 In February 2018 the membership grew for the first time since the Board's inception with Crawley Borough Council and Gatwick Airport Ltd joining. In order to build a sustainable model for supporting the Board in the medium term, officers will develop a 4-5 year plan that outlines the next steps for the future development of the Board. As part of this work the future business membership of the Board will be considered.

3.16 As outlined in section 6 of the HoTs, the role of Chair shall rotate annually between the 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.

3.17 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 29 May 2018, 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 11 June 2018.

(3) On 13 June 2018, 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 25 June 2018.

(4) On 27 June 2018, 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 17 July 2018, members of the Greater Brighton Joint Committee will formally appoint the new Chair (this will be the first item of business).

3.18 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 preferred nominees.

3.19 All member organisations are required to inform Brighton & Hove City Council's Democratic Services of their substitute representatives by 26 June 2018. 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.

3.20 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 2018/19. The Protocol is attached as Appendix 4. Members of the Board are required to inform Brighton & Hove City Council' Democratic Services of their Greater Brighton Call-In Panel representatives by 22 June 2018.

ANNUAL REPORT:

3.21 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.

3.22 It is proposed that the 2017/18 Annual Report be presented to the Board for approval at its first meeting in the new municipal year, scheduled for 17 July 2018.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS:

4.1 The proposals are in accordance with the governance arrangements agreed by the Board.

5. COMMUNITY ENGAGEMENT & CONSULTATION:

5.1 Not applicable.

6. CONCLUSION:

6.1 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 and delivering its work-plan in 2018/19;

(2) Note the current workplan and agree the projects/activities prioritised for funding;

(3) Agree that Brighton & Hove City Council shall continue to act as Lead Authority for the Board in 2018/19 and 2019/20;

(4) Agree the process by which the Chair of the Board shall be nominated for 2018/19, and;

(5) Note the requirement, and instruct the necessary actions within their respective organisations, to:

   a. Notify the lead authority of their named substitutes by 26 June 2018, and;
   b. Notify the lead authority of their nominations to the Greater Brighton Call-In Panel by 22 June 2018.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 The Greater Brighton Economic Board assists with delivering economic development across the region. The Board seeks to secure government and private sector funding and investment in order to deliver this economic development. An annual operating budget is agreed with the Board for the forthcoming financial year to enable the Accountable Body to provide legal, financial, communications and administrative support to allow the Board to deliver its work-plan. Annual contributions are made from member authorities to the Accountable Body toward this budget. The contributions from member authorities are detailed within paragraph 3.4 of this report. The apportionment of contributions from unitary, district and borough councils are based upon the size of their working age populations and are detailed within Appendix 3 although for this financial year these contributions have been frozen at the previous year's level. The budget for the financial year 2018/19 will reflect anticipated spend for the work-streams ahead including a provision for contingency. The estimated spend of £300,561 for the year is detailed in paragraph 3.6 and includes salary costs and admin support costs. The forecast spend for the year also includes a number of work plan items and these are detailed within the Greater Brighton Work Plan at Appendix 5. A summary of the budget for 2017/18 together with the spend incurred for that financial year is detailed in Appendix 2. A projected underspend of £120,497 is forecast for 2017/18 and this has been rolled over to support the budget for 2018/19. The underspend is as a result of delays to the appointment of posts to support the programme and delays in some work streams now forecast for 18/19.

Finance Officer Consulted: Rob Allen, Principal Accountant   Date: 28/03/28

Legal Implications:

7.2 The are no legal implications arising directly from this report.

Lawyer Consulted: Alice Rowland, Head of Commercial Law   Date: 28/03/18

Equalities Implications:

7.2 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: 2017/18 Forecast, Contributions and Spend
Appendix 3: Approach for Calculating 2018/19 Funding Contributions
Appendix 4: Greater Brighton Economic Board Call-In Protocol
Appendix 5: Greater Brighton Work-Plan

Appendix 1: Heads of Terms for Greater Brighton Economic Board (6 February 2018)

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 Cost 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 join 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 instigate 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, Mid Sussex District Council and Crawley Borough 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 join 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. Crawley Borough Council
vii. University of Sussex
viii. University of Brighton
ix. Further Education Representative
x. Coast to Capital Local Enterprise Partnership
xi. Brighton & Hove Economic Partnership
xii. Adur & Worthing Business Partnership
xiii. Coastal West Sussex Partnership
xiv. South Downs National Park Authority
xv. Gatwick Airport Ltd

5.2. GBEJC shall comprise the bodies specified in paragraphs 5.1(i) to (vi); and GBBP shall comprise the bodies specified in paragraphs 5(vii) to (xv).

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 or by a person nominated by the Board of that member.

5.6. Each university member shall be represented by a Vice Chancellor or Pro Vice-Chancellor of that university or by a person nominated by that university member.

5.7. Each further education member shall be represented by its Principal or the Chair of its Governing Body or by a person nominated by that further education member.

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 GBBC 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.

GREATER BRIGHTON ECONOMIC BOARD	**Agenda Item 34**

Appendix 2: 2017/18 Forecast, Contributions and Spend

1. The 2017/18 budget to support the running costs of the Board and the delivery of its workplan totalled £250,605. This was made-up of the 2016/17 roll-over of £94,171 and the contributions as set out in the table below:

Coast to Capital Local Enterprise Partnership	£12,500.00
South Downs National Park Authority	£7,500.00
University of Sussex	£7,500.00
University of Brighton	£7,500.00
Greater Brighton Metropolitan College	£7,500.00
Adur District Council	£12,345.00
Brighton & Hove City Council	£53,406.00
Worthing Borough Council	£19,215.00
Lewes District Council	£17,734.00
Mid Sussex District Council	£11,234.00
Total contributions 2017/18	**£156,434.00**
Roll-over from 2016/17	£94,171.00
Total budget 2017/18	**£250,605.00**

2. The 2017/18 budget forecast was as follows:

Salary costs (Including on-costs)	£101,000.00
Finance support	£7,060.91
Legal support	£9,671.51
Communications support (Adur & Worthing Councils)	£8,956.51
Annual Report and other materials	£1,500.00
Democratic Services support	£4,120.80
Scrutiny (Charged at £500 on a 'pay as you go' basis)	£2,000.00
Venue hire & refreshments	£3,000.00
Total Costs*	**£136,949.73**
Work plan items	**£110,000.00**
Contingency	£3,655.81
Grand Total	**£250,605.54**

* Excluding contingency.

3. The actual 2017/18 spend (including all known commitments as at 27 March 2018) was as follows:

Salary costs (Including on-costs)	£47,428.89
Finance support	£7,060.91
Legal Support	£9,671.51
Communications support (Adur & Worthing Councils)	£8,956.51
Annual Report and other design/materials costs	£5,482.75
Democratic Services support	£4,120.80
Scrutiny	£0.00
Venue hire & refreshments	£1,957.53
Additional costs e.g. recruitment costs	£5,429.45
Total Costs*	**£90,108.35**
Work plan items	**£40,000.00**
Contingency	£0.00

Grand Total	**£130,108.35**

* Excluding contingency.

7.3 The budget remaining as at 27 March 2018 is £120,497.19. It is proposed that the remaining budget be rolled-over into 2018/19; with £34,270.90 reserved as a contingency fund and the remaining £86,226.29 used towards the cost of running the Board and the delivery of its work-plan.

GREATER BRIGHTON ECONOMIC BOARD	**Agenda Item 34**

Appendix 3: Approach for Calculating 2018/19 Funding Contribution

Total Funds sought for 2018/19 = £180,064

Greater Brighton Business Partnership (GBBP):

- 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.
- All remaining Business Partnership members will be charged a ‘flat fee’ of £7,500.

Total funds sought from GBBP = £45,000

Greater Brighton Economic Joint Committee:

- The contributions sought from the unitary, district and borough councils for the total remaining funding requirement have been apportioned in relation to the size of their working age populations. Please see the Business and Demographic Overview below.
- The contributions sought from Brighton & Hove City Council, Adur District Council, Lewes District Council, Mid Sussex Council and Worthing Borough Council are the same as for 2017/18.
- Crawley Borough Council are a new member this year, and have been assessed to contribute an amount proportional to the relative size of Crawley’s working age population.
- 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. This is the same arrangement as in previous years.

Organisation	% of working age population	2018/19 Contribution Calculation
Adur District Council	7.13%	£12,345.00
Brighton & Hove City Council	38.81%	£53,406.00
Crawley Borough Council	13.66%	£21,130.00
Worthing Borough Council	12.39%	£19,215.00
Lewes District Council	11.18%	£17,734.00
Mid Sussex District Council	16.84% (8.42%)	£11,234.00
Total	**100%**	**£135,064.00**

GREATER BRIGHTON ECONOMIC BOARD	Agenda Item 34

Greater Brighton Business and Demographic Overview (April 2018) – Updated Table March 2018

Local Authority	Population (mid 2016)	Working age population (mid 2016)	VAT/PAYE Businesses (2017)	VAT/PAYE Business Units (2017)	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	65,700	37,459	2,325	2,640	70.4	7.8%	7.1%	6.4%
Brighton & Hove	289,100	204,007	13,665	15,900	77.9	34.9%	38.8%	38.8%
Crawley	113,800	71,792	3,435	4,640	64.6	13.7%	13.7%	11.3%
Lewes	103,200	58,778	4,360	4,990	84.9	12.5%	11.2%	12.2%
Mid Sussex	148,100	88,547	7,360	8,250	93.1	17.9%	16.8%	20.2%
Worthing	109,600	65,124	3,695	4,530	69.6	13.2%	12.4%	11.1%
Totals	***829,500***	***525,707***	***34,840***	***40,950***		***100%***	***100%***	***100%***

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

Appendix 4: Greater Brighton Economic Board Call-In Protocol

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 spilt 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.

Greater Brighton Work-Plan 2018/19

Aims and Purpose of the Work-Plan

The Greater Brighton Economic Board ("the Board") was established in 2014 as the governance structure that would oversee and implement the Greater Brighton City Deal. The over-arching purpose of the Board is to bring about sustainable economic development and growth across the Greater Brighton City Region. To achieve this, the principal role of the Board is to co-ordinate economic development activities and investment at the City Region level. 'Economic development' shall bear its natural meaning but particular emphasis is given to:

- Housing
- Economic Growth
- Infrastructure and Transport
- Employment and Skills
- Utilisation of Property Assets
- Strategic Planning

Achievements So Far

Four years on from signing the City Deal, great progress has been made against delivering on the key commitments agreed with Government. The Board has secured over £160m in Local Growth Funding which will;

- Create 24,000 jobs
- Build 18,000 new homes
- Deliver 750,000m^2 employment floor space
- Unlock £2bn in private sector investment

New England House

The City Deal's flagship proposal was to renovate and expand New England House, the centrepiece of the City Region's creative-tech cluster, into an improved and expanded

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facility for nurturing small creative-tech businesses. Over 90 organisations are currently based within New England House, including the Arts Council and Wired Sussex, a membership organisation that delivers a wide range of services, initiatives and networks designed to support the development of the digital cluster.

New England House is also home to the Digital Exchange, Digital Catapult and 5G Testbed. The 5G Testbed is one of only a handful of such facilities in the UK and the only one outside of a university. Future plans for New England House include the development of an Immersive Tech Lab, where developers of Augmented and Virtual Reality technologies will be able to apply their software to real-world settings.

<u>Flood Defences</u>

The City Deal identified that creating new flood defences in Shoreham and Newhaven as being important for protecting existing residential properties and economic assets, and unlocking strategic sites for delivering new residential and commercial space.

In Newhaven, work on protecting the west bank of the Ouse was completed in October 2017, and work is underway on the east bank of the river. The overall programme is on schedule and due to be complete by autumn 2019.

In Shoreham, the Adur Tidal Walls scheme has been separated into 10 reaches. Work is underway or complete at seven of the reaches with work to commence on the other reaches over the coming months. The project will significantly reduce the flood risk to over 2,300 properties in Shoreham and East Lancing and will also protect key local infrastructure including the road network, railway line and Shoreham Airport.

<u>Growth Centres</u>

Newhaven Enterprise Zone
The Newhaven Enterprise Zone opened in April 2017. Covering 8 strategic sites across the town, the Enterprise Zone offers a mix of undeveloped greenfield sites and the opportunity to refurbish, redevelop and intensify economic activity on a number of brownfield sites. In its 25-year lifespan, it is projected that the Enterprise Zone will;

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- Create 55,000m^2 of new employment floor-space
- Refurbish 15,000m^2 of existing employment floor-space
- Create/sustain 2,000 FTE jobs
- Generate an uplift in business rates for reinvestment

Central Research Laboratory

The Central Research Laboratory at the Ministry of Defence Preston Barracks site, is backed by the University of Brighton. The site will create an incubator for new businesses linked to university research. It is projected that the Laboratory will add around £465m in GVA over a 10-year period and deliver;

- 4,645m^2 of new employment space
- 500m^2 of high specification prototyping labs/workshops
- 107 onsite jobs

The site will support up to 99 businesses and 300 further jobs. Phase 1 work is due to begin in June 2018, and the estimated completion date for the project is December 2019.

Sussex Bio-Innovation Centre

This facility, to be housed at the University of Sussex Falmer Campus, will expand biosciences research in Brighton and provide space for university-business collaboration in this field. The centre will provide around 2,200m^2 of dedicated specialist accommodation, and will be able to support 20 new business teams at a time. This will create over 60 specialist bio-science graduate-level jobs and a further 20 specialist technician, business support and management positions, as well as 147 new indirect academic and teaching jobs. As an 'incubator' the Centre will support the start-up and early growth of businesses, which will then graduate to larger premises and be replaced. An average business stay of 5 years is expected meaning that 100 bio-science businesses will be supported over the next 20 years, creating over 300 new scientific positions.

Work is due to be complete in 2020.

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Other Growth Centres – Burgess Hill
Burgess Hill is the largest growth area in Greater Brighton. The Northern Arc Housing development will create around 3,500 new homes across a 180 hectare site, and a further 1,500 homes are currently being delivered at other locations across the town. Two business parks will sit alongside the Northern Arc and a new Science and Technology Park will deliver 100,000m^2 of commercial floor-space. In total, the Burgess Hill Programme will create around 15,000 new jobs (including construction jobs).

<u>Completed Projects</u>

In 2017 we reached the completion phase for several key projects that received LGF Funding through Growth Deal rounds 1 & 2.

The Newhaven Enterprise Zone
As described above.

University of Brighton Advanced Engineering Centre
Construction of the University of Brighton Advanced Engineering Centre was completed in the spring of 2017, which was followed by the installation of specialist equipment in the research areas. The new Centre was used during the 2017 British Science Festival and will be officially opened on 19 April 2018.

The centre will provide specialist science-led teaching and research facilities for advanced automotive engineering. Key features of the centre will be;

- laboratories, tutorial rooms, meeting rooms and exhibition spaces
- the base for 300 students, 15 academic staff and 35 research posts
- delivering around 60 engineering graduates each year.

Greater Brighton Metropolitan (GBMet) College Construction Trades Centre
The Construction Trades Centre, situated on the East Brighton Campus of the College, will train the next generation of electricians, plumbers, carpenters, painters, bricklayers and plasterers. Employers in construction and catering already face significant problems in recruiting skilled workers, and in 2017 GBMet published a report entitled "Have you Met your future", which suggested that jobs in construction will be amongst

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the top 10 growth occupations in Sussex and the UK over the next 5 years. With the government in the process of negotiating Great Britain out of the EU, it remains unclear what the impact might be for the supply of labour to key industries including construction, health and tourism, so the new educational facility is going to be vital for the post-Brexit economy.

Brighton & Hove Bike Share Scheme
The Brighton & Hove Bike Share Scheme was officially launched on 1 September 2017. Public bike share is part of a wider strategy to enhance public transport infrastructure, walking and cycling across Brighton & Hove and the wider region to improve connectivity between existing employers and developments, the city centre and more local/district centres.

The network involves 50 docking stations and around 450 bikes, and the contract for the operation, management and maintenance of the scheme was awarded to HourBike. Early take-up has been excellent, with 20,000 registrations in the first four months, and the scheme was awarded the "Green Project of the Year" Award from the Argus newspaper.

The scheme could be expanded to cover parts of the City Region and provide cycle access to the South Downs National Park.

The Future

Whilst much has been achieved since 2014, the Board's aspirations have grown since its inception, and this ambition is reflected in the work-plan for 2018/19. The 2018/19 work-plan sets out to deliver on the key threads of economic development as outlined on page 1. Below are the proposed activities, which fall into two categories:

1. Ongoing/continuous work streams that are delivered by the Board's existing resources, or supported by officers from the local authorities and other Greater Brighton partners
2. Specific/one-off pieces of work where additional resource is required e.g. the use of the Regeneris consultancy to deliver the Greater Brighton Inward

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Investment & Export Strategy. These work streams have a stated resourcing requirement.

Housing

Development and negotiation of a Greater Brighton Housing & Growth Deal
In the Industrial Strategy White Paper Government is clear that it is looking to agree specific Local Growth Deals with localities and has shifted away from more general devolution deals. Continuing our engagement with Central Government, and building on the success of the 2-day Charrette last autumn, work on preparing a possible Housing & Growth Deal will continue through 2018/19.

The Housing & Growth Deal will be much like the original City Deal document and will set out a number of key asks of Central Government along with corresponding offers. The asks and offers will be grouped into the following themes, all crucial to the future success and prosperity of the City Region;

- Delivery of housing and employment space
- Delivery of smart infrastructure
- Delivery of clean and sustainable growth
- Knowledge intensive growth
- Inward investment and trade

Economic Growth

ESIF Business Support Bid - £30,000
One-off contribution towards the 100% match-fund requirement (totalling £6m) for the region's European Regional Development Fund Business Support bid.

The Board has committed £30,000 to support the ESIF Business Support Bid, which is being led by the University of Chichester. Following submission to DCLG of the final bid for the delivery of a £12m Business Support programme in November 2017, there have been a number of queries back from DCLG on the bid. These have been responded to, but as yet there is no indication of when (if) the contract will be awarded.

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Implementing the Recommendations in the Inward Investment & Export Strategy - £50,000

The key recommendation from the Inward Investment & Export Strategy is that in line with other City Regions that have been very successful at establishing a USP and attracting Inward Investment e.g. Milton Keynes, Reading, Bristol & Bath etc, there be a dedicated resource allocated to inward investment. This and any other recommendations will require resource, which may be significant, and the Board will need to take a view on which recommendations to prioritise and how much resource is allocated. Whatever is decided, implementing the recommendations is likely to be a significant work stream for 2018/19 and possibly for several years beyond.

The suggestion is that £50,000 be allocated towards implementing the recommendations, and will be used for engaging in inward investment activity while work to resource the new team is underway.

Delivery of the Greater Brighton Investment Programme
In July 2017 Coast to Capital launched a new funding round for unallocated funds from rounds 1 & 2. In December 2017, Coast to Capital announced that five projects from across Greater Brighton had been awarded funding totalling around £12m, so the investment programme continues to grow. The five projects are;

- **Crawley College STEM & Digital Centre** to develop a new Science Technology and Maths and Digital Skills centre in Crawley, to create a state of the art learning environment

- **Pelham Campus Redevelopment** to construct a new Centre for Creative and Digital Industries, together with part refurbishment of the Pelham Tower

- **Ricardo Hybrid Powertrain** to deliver a state of the art four-wheel drive hybrid powertrain rig to enable the research and development of the next generation of electrified powertrain systems and vehicles

- **Charleston Trust Centenary Project** to preserve Charleston's heritage, enhance the Trust's economic and cultural role and expand the site to achieve a sustainable financial future

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- **Sussex Innovation Centre** to create more space and enable additional support through redesign of the large reception area at Sussex Innovation centre Falmer and to create a co-working space and meeting area, with Business hub space, within the Number One Croydon building.

Infrastructure and Transport

Transport Infrastructure - £10,000
Analysis and articulation of Greater Brighton's transport priorities, and explore opportunities for improved City Region transport.

Water Plan - £5,000
Development of a Greater Brighton Water Plan, linked to the Investment Programme/Pipeline and Local Plans, working in partnership with the Brighton & Lewes Downs Biosphere Board, Southern and South East Water and UK Power Networks and other local suppliers.

Energy Plan - £5,000
Work continues on the Energy Plan to which the Board has agreed to commit £5,000.

Digital Infrastructure - £10,000.
Development of a local Digital Connectivity Delivery Plan and supporting the growth the creative Digital and IT cluster, in partnership with the Digital Catapult Centre Brighton. Several Greater Brighton authorities submitted bids to the DCMS Local Full Fibre Network (LFFN). Mid Sussex were successful in their bid. It is suggested that the development of a Greater Brighton Digital Connectivity Delivery Plan should follow this work, and this plan would form the reference point when applying for future rounds of the LFFN Challenge Fund, or other funding streams around digital connectivity.

Employment and Skills

Skills & Employment - £10,000
Development of a Greater Brighton Skills & Employment Plan. In addition, in the Industrial Strategy White Paper Government announced that it will start to devolve the adult education budget in Combined Mayoral Authorities from early 2019. Greater

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Brighton has similar accountable governance structures in place and we will be making the case for more flexibility around how the adult education budget is utilised.

Utilisation of Property Assets

Delivery of the Greater Brighton One Public Estate Programme

The One Public Estate (OPE) Programme is a significant Greater Brighton sub-programme with its own resource and governance arrangements. The programme is funded by the Cabinet Office Government Property Unit (GPU) and delivered in partnership with LGA. Greater Brighton was accepted onto the programme in November 2016, and there are four main objectives;

- Create economic growth (new homes, employment floor-space, jobs)
- Enable more integrated customer-focused services
- Generate capital receipts
- Reduce running costs

It is expected that the OPE Programme will continue to grow through 2018/19.

Strategic Planning

Development of a Greater Brighton Communications Strategy

The Communications Team have developed a number of proposals with a more strategic and front-foot approach to Board communications. These proposals are currently being evaluated. The aim of a new support package will be develop a comprehensive engagement programme which would increase visibility of the Greater Brighton brand and its activities. This could include engaging with new audiences via Social Media and other digital platforms, further development of the brand, increased media presence, a redesign of the website, and attendance at events to profile Greater Brighton.

Working with Coast-to-Capital to develop a Local Industrial Strategy

The indication from Government is that they see Local Industrial Strategies being developed in line with LEP boundaries. Coast to Capital is currently developing a new Strategic Economic Plan (SEP) and Greater Brighton recently submitted a response to the SEP Consultation. The final plan will be published in late spring, and the new SEP

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will provide the reference point for future discussions around a Local Industrial Strategy.

Development of other policy responses, including to the Industrial Strategy Green Paper and the implications of the UK's withdrawal from the European Union
Greater Brighton submitted a response to the Industrial Strategy Green Paper in April 2017, and was pleased to see that some areas of concern were addressed in the White Paper. The potential impact of Brexit continues to be monitored, and the Board will respond to future policy announcements where relevant; Government has pledged to launch the UK Shared Prosperity Fund following departure from the EU and intends to consult this year on the precise design and priorities for the fund.

Maintenance of the Greater Brighton Project Pipeline
Although no new funding streams have been announced, having a list of projects has enabled Greater Brighton to respond more quickly to funding opportunities that emerge. The project pipeline will allow opportunities for collaboration and potentially joint bidding, so the recommendation therefore is that the pipeline is maintained whether for future LGF, UK Shared Prosperity Fund or other government funding opportunities. Now that Crawley and Gatwick have joined the GBEB there is an opportunity to add more projects to the pipeline.

End.

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GREATER BRIGHTON ECONOMIC BOARD	Agenda Item 35

Subject:		**Coast to Capital Strategic Economic Plan (SEP): Greater Brighton Consultation Response**	
Date of Meeting:		**17 April 2018**	
Report of:		**Chair, Greater Brighton Officer Programme Board**	
Contact Officer:	**Name:**	**Nick Hibberd**	**Tel: 293020**
	Email:	**Nick.Hibberd@brighton-hove.gov.uk**	
Ward(s) affected:		**All**	

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 On the 6th March 2018, Coast to Capital published its Strategic Economic Plan (SEP) for consultation and invited comments.

1.2 The Greater Brighton Economic Board ('the Board') welcomes the opportunity to respond and work with Coast to Capital, to both help shape its Strategic Economic Plan and to support the delivery of this at a City Region level.

1.3 The purpose of this report is to provide the Board with the City Region's Consultation Response ('the consultation response').

2. RECOMMENDATIONS:

2.1 That the Board note the Consultation Response, which was submitted to Coast to Capital on 23rd March 2018 in line with its deadline.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 The first Coast to Capital SEP was published in March 2014. Since then, there have been significant changes including the United Kingdom's decision to leave the European Union, a new Industrial Strategy as set out by the Green Paper and White Paper, and changes to the economy of the LEP region. Coast to Capital has developed a new SEP to address these changes.

3.2 The new SEP sets out the strategy for economic growth for the LEP region, including challenges and opportunities, and what conditions, investments and interventions are required to achieve that growth. The SEP will also be the main tool used by the LEP to inform conversations with the Government on the development of the region's Local Industrial Strategy.

3.3 The SEP has identified five opportunities and 10 key priorities to drive investment into the region and contribute to growth of the national economy;

- **Be the Partner Choice for London**

1) Investment in regional transport infrastructure
2) Investment in business infrastructure in our region which offers significant opportunity for high value businesses to scale and grow, bringing high value jobs back to the region and reducing our reliance on commuter journeys

- **Lead UK Trade Growth**

3) Utilising the region's strong international connectivity as a key driver of economic growth
4) Create a successful unifying identity for the region which supports the diversity and opportunity of business opportunities in the area. To use this to encourage inward investment, promote tourism and reflect the strength of the region. This is essential in order to allow us to compete effectively with English city regions, which are better able to present themselves to international partners

- **Support Economic Growth which Enhances Our Region**

5) Ensuring that all investment in our economic capacity is accompanied by similar investment in our natural capital and clean growth, so that the unique nature of our region is enhanced by a growing economy
6) Prioritising the intensification of towns where development is focused on sustainable locations and there is a base level of existing infrastructure for transport, employment, health and wellbeing which can be enhanced and augmented

- **Pioneer Digital Innovation**

7) Leading the way in digital innovation to drive productivity and growth across all sectors
8) Ensuring the region has the best digital network capability essential to deliver high productivity gains across all sectors

- **Create an offer for all Stages of Life**

9) Developing a highly productive workforce that meets the needs of business in a changing economy
10) Maximising the productivity of the working population.

3.4 Coast to Capital have sought views on the draft SEP to ensure it meets the needs of all stakeholders and partners. The consultation is made up of three key questions on the unique opportunities and three key questions on the priorities and goals outlined in the SEP.

- Has the region been described in the best way possible?
- Are the unique opportunities for the region set out credibly and confidently?
- Is there any further evidence that will support these arguments?

- Do you agree with the ten priorities?

- Do you agree with the goals that we have set against each priority?
- Do you have any other suggestions as to how we might achieve these goals?

3.5 The Board welcomed the opportunity to respond and raised a number of key themes for consideration. The response states the following:

- More emphasis should be made to the strengths of the City Region and the economic benefits it brings to the UK as a whole
- The description of the region as a partner to London needs more clarity and in particular, detail on the economic benefits this brings to the region itself
- More clarity is needed on creating an offer for all stages of life and how this opportunity will be met.

3.6 The response lends support to the priorities outlined in the SEP but suggests that these should be linked back to delivering objectives in the Government's Industrial Strategy White Paper. The response provided specific comments on each of the ten priorities.

3.7 The Greater Brighton Economic Board welcomes the opportunity to respond to the emerging Strategic Economic Plan. The response from the Board suggests that that the goals are not clear as indicators of success, and further information is required on the desired outcomes for the LEP region and the UK economy as a whole. Further information is required on the impact the outcomes will have on helping Government achieve its vision for the UK outlined in the Industrial Strategy White Paper.

4. ENGAGEMENT & CONSULTATION

4.1 Members of the Greater Brighton Officer Programme Board ('the Officer Board') have been given the opportunity to input into the drafting of the consultation response. At the most recent Officer Board meeting, all Officer Board members were invited to discuss the SEP with the LEP and provide feedback for the Greater Brighton Economic Board's response. The Officer Group were also circulated the draft version of the response for comment.

5. CONCLUSION

5.1 The consultation response welcomes the publication of Coast to Capital's SEP and its focus on growth and productivity.

5.2 The consultation response sets out a number of recommendations for more specific detail and clarification on the opportunities, priorities and goals within the SEP and with particular reference to the Board and the City Region.

5.3 The consultation response asks the LEP to ensure the outcomes can be measured and can be linked to the Government's Industrial Strategy White Paper.

6. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

6.1 There are no direct financial implications as a result of this report.

Finance Officer Consulted: Rob Allen, Principal Accountant Date:28/03/2018

Legal Implications:

6.2 There are no legal implications arising directly from this report.

Lawyer Consulted: Alice Rowland, Head of Commercial Law Date:28/03/2018

Equalities Implications:

6.3 None.

Sustainability Implications

6.4 The Board agrees that it is essential the all investment in our economic capacity is accompanied by similar investment in our natural capital and clean growth. Greater Brighton will put low carbon growth at the heart of the Greater Brighton economy and wants to be seen as a platform for Green Growth.

6.5 The Greater Brighton Economic Board work plan includes developing resilience and sustainability plans for water and energy, to ensure that the City Region has the capacity for future growth and that growth will be sustainable. The City Region asks that the integration of affordable, secure and low carbon energy infrastructure and resource efficient building practices is continued.

SUPPORTING DOCUMENTATION

Appendices:

Appendix 1: Greater Brighton Response to SEP Consultation

coast to capital
local enterprise partnership

Greater Brighton

Consultation Response

Coast to Capital is consulting on its new Strategic Economic Plan (SEP). Extensive engagement has taken place with experts to develop the SEP and further feedback from our partners and stakeholders will ensure we are in as strong a position as possible to develop a Local Industrial Strategy with Government, which will drive investment in our area.

The SEP is currently split into two parts for the consultation; firstly the summary of the opportunities, and secondly the priorities identified to exploit these opportunities. The SEP Slide Pack and SEP Consultation Document can be found in the resources section on the right hand side of the consultation page on our website.

The consultation will close on 23 March 2018.

Send your response to sep@coast2capital.org.uk

Please provide your contact details, we may wish to follow up specific comments or suggestions for further evidence and clarification.

Under 'Organisation' please indicate if you are responding as an individual or on behalf of your organisation or a wider group.

Name:	Clare Mulholland Greater Brighton Economic Board Business Manager
Organisation:	Greater Brighton Economic Board The Greater Brighton Economic Board ('The Board') welcomes the publication of the Coast to Capital LEP's Strategic Economic Plan and the opportunity for consultation. The Board welcomes the emphasis on improving productivity and achieving an economy that works for everyone. The Board was established in March 2014, as part of the Greater Brighton City Deal Agreement. The purpose of the Board is to protect and grow the Greater Brighton economy, by formulating economic policy and co-ordinating economic activities and investments at the City Region level. The Board brings together, as a formally constituted partnership, the Leaders and Chief Officers from the public sector, education and business to work collectively on 'larger than local' issues. The list of members can be found on page 10.
Contact Email:	Clare.Mulholland@brighton-hove.gov.uk
Telephone:	01273 291026

In this section please refer to the Strategic Economic Plan Slide Pack. The Slide Pack sets out a summary of the analysis of the challenges to growth facing the region and identifies the unique opportunities where the region has the expertise and comparative advantage to take a national leadership role in driving economic growth.

Strategic Economic Plan Slide Pack
Q: Has the region been described in the best way possible?
A: Greater Brighton is one of the fastest growing city regions in the UK – rated in the top five for jobs growth in the past five years and one of the best places to start a new business. It is well known for its quality of life, including a strong leisure and cultural offer which has sparked a vibrant creative digital cluster and strong regenerative effects further down the coast towards Worthing. With Gatwick and two ports, Shoreham and Newhaven, sitting within the region, it is a key gateway for the United Kingdom to the rest of the world. The Greater Brighton Economic Board is working to increase productivity and foster business growth and inward investment across the region. The Greater Brighton Economic Board is of the view that more emphasis should be made to the strengths of the region and the economic benefits it brings to the UK as a whole. The Board recognises that the Coast to Capital region has been described as a network of hubs which is greater than the sum of its parts and agrees with this statement. Although reference has been made to Croydon, Gatwick, Brighton and Chichester, the Board feels that in order to ensure greater buy in from all local authorities within the LEP there should be further mention of specific locations and growth opportunity sites within the Greater Brighton region such as the Manor Royal Business District, Burgess Hill and the Newhaven Enterprise Zone which will all unlock much needed jobs and housing. Furthermore, Greater Brighton generates around £21.1bn of Coast to Capitals £50bn GVA, so around 40% of the LEP area's economic output. It is therefore a key sub-region within the LEP area that needs to be recognised as having a crucial role in driving future growth and prosperity across the LEP region and wider south east. There should also be reference to the Greater Brighton Economic Board itself. The Board brings together, as a formally constituted partnership, local authorities within the LEP as well as education and business sectors to work collectively on 'larger than local' issues. Reference to the Board and its members would encourage greater engagement with the SEP from these partners. The Board has a key role to play in helping Coast to Capital deliver its key objectives and in the future developing an effective Local Industrial Strategy. Aligned with this, the Board supports the vision outlined in the SEP but feels it is too broad and would benefit from including details specific to the location of the LEP as well as the uniqueness and diversity of the LEP and the strength

this brings to the region as a whole. The Board believes that whilst the LEP region is not a city region, reference should be made to the significant metropolitan city area within the LEP geography. A large metropolitan area like Greater Brighton has a number of key opportunities and challenges, unique to other areas within Coast to Capital, and these need to be acknowledged by the plan; opportunities need to be maximised and challenges addressed. The SEP should highlight the education opportunities and in particular the universities located with the region. The Board's view is that the description of the region as a partner to London needs more clarity and in particular, detail on the economic benefits this brings to the region itself. The Board also believes that more clarity is needed on creating an offer for all stages of life and how this opportunity will be met.
Q: Are the unique opportunities for the region set out credibly and confidently?
A: The Greater Brighton Economic Board recognises the five unique opportunities set out in the Strategic Economic Plan but feels that there is an opportunity for the LEP to be bolder in its vision and provide more detail on the unique selling points of the region. The Board would like further clarity on point 1 – Be the lead partner of choice for London - and the mutual benefit that this will bring to both partners. The City Region has a shortage of land, both for housing and employment space. Some of this is due to topography; the coastal strip from Newhaven through Brighton & Hove and Shoreham along to Worthing is constrained by the sea to the south and the South Downs to the north. Much of the rest of the area has protected status, for example lying within the South Downs National Park or the High Weald Area of Outstanding Natural Beauty. Land is often unsuitable for building due to flood risk or other factors. The lack of road infrastructure to unlock sites can be particularly problematic. Meeting the existing housing need within the Greater Brighton area is a huge challenge for Greater Brighton partners. The Board would like clarification on what is being asked of the LEP region in terms of housing demand and would like to see more detail on the role of the LEP in encouraging business relocation to the region. The Board seeks further clarification on point 5 – Create an offer for all stages of life. The Board would like to see further detail on the opportunities to develop skills including leadership and management skills and the ability for small and medium sized enterprises to provide paid apprenticeships as this is one of the main challenges facing the region. The Board would like to highlight the need to accelerate the creation of apprenticeship frameworks, so that providers are able to respond to the needs of employers. The Board recognises the economic benefits brought to the region by the

location of Gatwick Airport but would like to see reference to other drivers of growth. One of the City Region's strengths is its service exports, but the overwhelming focus of the consultation document is on the movement and exchange of physical exports. The Board asks that there be stronger support within the Strategic Economic Plan for general business services, a sector that is important to City Region economy is Fintech (the use of new technology to compete in the marketplace of traditional financial institutions).
Q: Is there any further evidence we should consider that will support these arguments?
A: The Greater Brighton Economic Board would like to see details of the evidence base used for the Strategic Economic Plan. The Board would like Coast-to-Capital to consider the following documents to support these arguments. • Greater Brighton Response to the Industrial Strategy Green Paper • Devolution Proposals • Local Authority Economic Strategies

In this section please refer to the Strategic Economic Plan Consultation Document. This document outlines ten ambitious regional priorities which we have identified through analysis of the five unique opportunities set out in our Strategic Economic Plan. Against each priority we have set out what we want to achieve by 2030 (our goals), and how we aim to deliver these goals.

Please reference which priority or action you are referring to when answering the questions.

Strategic Economic Plan Consultation Document
Q: Do you agree with the ten priorities?
A: The Greater Brighton Economic Board supports the priorities outlined in the SEP. However, it is important to link the SEP priorities back to delivering objectives in the Government's Industrial Strategy and the Five Foundations of Productivity outlined in the White Paper; Ideas, People, Infrastructure, Business Environment and Places. Clearly many of the priorities are linked to these Five Foundations, but not in an explicit way. Our understanding is that the SEP is going to form the backbone of a Local Industrial Strategy for the region. To successfully engage with Government we need to be clear on how our Local Industrial Strategy, and therefore the SEP, will help Government to deliver on the key objectives set out in the Industrial Strategy White Paper. Furthermore, in the White Paper Government identified four "Grand Challenges" to put the United Kingdom at the forefront of industries of the future, which are; AI and Data Economy, Clean Growth, Future of Mobility and Ageing Population. Again, many of the priorities do cover these four areas, but if we are going to interest Government we need to be more direct on how we are going to lead the way in delivering its vision for the United Kingdom. The Board strongly welcomes the priority of investing in transport infrastructure in the region and supports the planning of infrastructure more effectively with local growth priorities. There should be a stronger focus on the strategic economic links within the City Region, – especially north-south, the M23/Brighton Main Line corridor, and east-west, the A27/A259/Coast-way corridor. The Board would like to see more detail on prioritised locations for investment in transport infrastructure. In terms of driving growth, the Board strongly believes that it is important that the success of the south east economy continues to be recognised. With relatively modest interventions in the City Region's road, rail and digital infrastructure and with the tools to unlock the essential housing and employment floor-space, Greater Brighton can deliver improved productivity and growth. The development of areas of strategic employment and housing must be run in tandem with the addressing of infrastructure issues, including access to key growth locations such as Newhaven, Burgess Hill and the Manor Royal Business District via the key transport links such as the A259, A27 and A23. The importance of the railway service to Greater Brighton's economy is unequivocal. It is essential for the City Region's economy and connectivity,

particularly to Gatwick and to London, and is a key component to attracting businesses to locate and stay in the City Region. The Board would to see this referenced in the SEP.

In terms of investing in science, research and innovation the Board would like to see stronger alignment of university research incentives with place based economic development. This will help to accelerate economic growth and can also help the City Region to find solutions to big societal challenges. Greater Brighton is a partner in Innovation South and welcomes the support of the LEP for its delivery. The Innovation South Audit focused on a number of core themes that looked at five enabling technologies: Digital; Quantum; Photonics; Cyber and Big Data Analytics applied across four sectors; Connected Digital; Advanced Engineering; Bio-Science, and; Marine/Maritime. All of these are existing regional strengths that are potentially global in profile.

The Board would like to see further clarity on the difference between priorities 9 and 10 and the support for skills development as this is a major challenge for the City Region and wider LEP area. It is not clear whether priority 10 is about inclusion or the need to upskill older workers and so the Board asks for this to be clarified. The board asks the LEP to work with and support the City Region's FE Colleges to secure investment via the proposed £170m of capital funds to establish an Institute for Technology.

The Board believes that the development of a unifying identity for the region would be extremely problematic given that the LEP area does not cover a single distinctive or discrete city region. In an earlier priority there was acknowledgement that the LEP area is a network of hubs that is greater than the sum of the parts. The Board agrees with this description and instead of trying to develop an overarching identity for the entire region, the focus should be on promoting the individual hubs and enhancing the offer of each hub. Each hub will have its own strengths and challenges and focus needs to be on exploiting what they do well, and where they can add value.

The creation of a visitor economy website under Priority 4 is also something that the Board would not be supportive of. There are already a number of existing visitor websites in existence and instead of creating a new one, the aim should be to consolidate and improve existing resources, including modernising and streamlining current sites, and improving signposting and other linkages between them.

Priority 6 states the importance of prioritising the intensification of towns. Given that Brighton is a City and part of the wider City Region, the Board would like to see the word "town" replaced with "urban centres" or something similar.

Under Priority 6 there is also mention of the One Public Estate Programme. The Board welcomes Coast-to-Capital's recognition of the importance of One Public Estate, and their active leadership role guiding and delivering such

complex programmes. The Board will take this consultation as an opportunity to highlight the need for revenue grant (as well as continued capital grant) funding opportunities, to enable implementation of the Programme.
Q: Do you agree with the goals that we have set out against each priority?
A: The Greater Brighton Economic Board supports the need to identify how the SEP priorities will be delivered but this is not clear with the section on goals. The Board would like to see individual indicators of success included within the goals so that progress can be measured. It is also important that the goals describe exactly what outcomes are to be achieved by the SEP and include details of accountability to avoid any confusion on delivery.
Q: Do you have any other suggestions as to how we might achieve these goals?
A: The view of the Greater Brighton Economic Board is that the goals are not clear, in particular with regard to indicators of success, milestones for delivery and ownership and accountability. The Board would like to see further information on the comprehensive outcomes to be achieved by the SEP, and this is essential in order to measure success. It is important that it is clear what the impact of these outcomes will be on the LEP region and the UK economy as a whole, and in particular the impact the outcomes will have on helping Government achieve its vision for the UK outlined in the Industrial Strategy White Paper. It would be useful to clarify which organisations or partners have the mandate to deliver these goals particularly with regard to statutory planning requirements and unlocking housing demand. The Board would like to see clarity on the roles and responsibilities of the LEP within the SEP and how this will facilitate meeting the priorities.

Please use this comment box for any additional comments you wish to make.

Additional Comments:

Greater Brighton is one of the fastest growing city regions in the UK – rated in the top five for jobs growth in the past five years and one of the best places to start a new business. It is well known for its quality of life, including a strong leisure and cultural offer which has sparked a vibrant creative digital cluster and strong regenerative effects further down the coast towards Worthing. With Gatwick and two ports, Shoreham and Newhaven, sitting within the region, it is a key gateway for the United Kingdom to the rest of the world. The Greater Brighton Economic Board is working to increase productivity and foster business growth and inward investment across the region.

Within priority 1, the Board would like see a continuation of work with Government and partners to establish Transport for the South East, a Sub National Transport Body that is now in shadow form. Greater Brighton will work with partners on a long term transport strategy, involving close working with Highways England and Network Rail and the establishment of a Key Route Network for the operation, maintenance and improvement of important local roads. The Body will also have a key role to maintain and enhance connectivity to London, the wider South East and international gateways, such as ports and airports.

Within priority 2, Greater Brighton understands the need to bring more business expertise into local governance and improve links between councils and the private sector. A City Ambassador role is being piloted as an example of a modern "Alderman" type role within local government. The role aims to provide an opportunity for nominated individuals to represent and promote the growth sectors of the Greater Brighton City Region, help attract inward investment, support trade delegations and missions, voice the needs of the sector and influence the City Region's strategic development.

With regard to priority 3, Greater Brighton has a strong offer to communicate to inward investors and has plans to encourage local businesses to grow through international trade. The Newhaven Enterprise Zone opened on the 1st April 2017 and will provide 55,000m^2 of new and 15,000m^2 of refurbished floor-space creating and protecting 2,000 jobs. Mid Sussex District Council, in its emerging District Plan, is bringing forward 25 hectares of employment space as part of the Burgess Hill Growth Programme, which will equate to approximately 100,000m^2 new floor-space and 2,500 new jobs, and is working with the LEP and other strategic partners to promote and deliver a Science and Technology Park at Burgess Hill. Investment in Brighton Town Hall will see the creation of a new City Hall for Business which will provide a focal point for the region's inward investment strategy. Proposals include a new International Trade & Export Team to promote the City Region, host international delegations, work with DiT to actively target investment propositions and provide on-site support to exporting businesses. Greater Brighton Business Ambassadors will be identified from within the local business community to help promote the region as a place to invest; they will include industry specialists and senior leaders able to advocate and secure investment on behalf of the City Region.

With regard to priority 5, the Greater Economic Board agrees that it is essential that all investment in our economic capacity is accompanied by similar investment in our natural capital and clean growth. Greater Brighton will put low carbon growth at the heart of the Greater Brighton economy, and wants be seen as a platform for Green Growth. The Greater Brighton Economic Board work plan includes developing resilience and sustainability plans for water and energy, to ensure that the City Region has the capacity for future growth and that growth will be sustainable.

The University of Brighton's Green Growth Platform has brought together a flourishing and growing network of 950 organisations, and they form the foundations of a thriving, green economy in our region. Greater Brighton will support the University of Brighton and its network of organisations to develop and commercialise the next generation of environmental, low carbon products and services. There are significant opportunities to make strategic linkages between the work of the Green Growth Platform and other low carbon/green sector initiatives across the wider region.

With regard to priority 6, the Greater Brighton Economic Board would like to see additional interventions to accelerate the delivery of genuinely affordable housing, including lifting the HRA borrowing cap, and greater flexibility around what to do with right to buy receipts in line with the region's Housing and Growth Deal.

With regard to priority 7, our aim is to establish Greater Brighton as the UK's centre for creative digital SME growth. This includes stablishing a 5G and Ultrafast Fibre network connecting the City's Innovation Hubs – to establish the city as the UK's 5G test bed for SMEs. The 5G/Ultrafast Fibre ring would connect the Brighton Digital Catapult, 5G test bed, Digital Exchange, and Immersive Tech Hub in New England House to the Sussex Innovation Centre, Greater Brighton Metropolitan College, Circus Street Regeneration Scheme, and the Skiff digital SME space. Mid Sussex District Council has recently secured up to £2.2m from the Government's Local Full Fibre Network Fund to deliver gigabit (full fibre) infrastructure in Burgess Hill.

With regard to priority 8, establishing Greater Brighton as a gigabit City Region is a clear aim that would stimulate inward investment in key economic regeneration areas by creating an environment in which there is genuinely ubiquitous ultrafast broadband. It would allow the City Region to build on Brighton's outstanding digital and entrepreneurial reputation, building genuine competitive advantage against other leading national and international digital cities. Digital usage and expertise would spread out of the core digital industries into traditional businesses and trades, thus further stimulating economic growth. A key beneficiary of this would be the tourist economy, as the region would be able to attract increased numbers of leisure and business visitors through improvements to fixed and wireless access.

With regard to priority 9, The Board would like to see work with the City Region to support the Greater Brighton Metropolitan College (GB Met) and partners in its application to establish an Institute of Technology in the City focused on digital and creative skills.

There is significant potential for apprenticeships, including higher level and degree level apprenticeships to serve as a route to upskill, progress and reskill whilst in paid employment. Partnership arrangements between colleges, universities and local employers can ensure that those paying the apprenticeship levy can re-invest funds back into their own workforces and the local economy, and small and medium businesses can benefit from the funding available through the digital voucher system.

Greater Brighton Economic Board Members

Local Authorities

- Adur District Council
- Brighton & Hove City Council
- Crawley Borough Council
- Lewes District Council
- Mid Sussex District Council
- Worthing Borough Council

Business Partners

- Adur & Worthing Business Partnership
- Brighton & Hove Economic Partnership
- Coastal West Sussex Partnership
- Coast-to-Capital LEP
- FE Sussex Consortium
- Gatwick Airport Ltd
- South Downs National Park Authority
- University of Brighton
- University of Sussex

GREATER BRIGHTON ECONOMIC BOARD	Agenda Item 36

Subject:		**Transport for The South East (TfSE) – Sub-National Transport Body update Report**	
Date of Meeting:		**17th April 2018**	
Report of:		**Chair, Greater Brighton Officer Programme Board**	
Contact Officer:	**Name:**	**Mark Prior**	**Tel: 01273 292905**
	Email:	**Mark.prior@brighton-hove.gcsx.gov.uk**	
LA(s) Affected:		**All**	

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 The report is to provide members of the Greater Brighton Economic Board ('The Board') with an update on the progress, constitutional arrangements and work plan of Transport for The South East, the emerging Sub National Transport Body for the South East Region.

1.2 This builds on the earlier November 2016 Report that set out the early development and context for the creation of Sub National Transport Bodies and proposal to create a 'shadow' body, Transport for The South East (TfSE). This shadow body is made up of constituent local authorities, LEPs and partners seeking to work collaboratively and with a single voice to secure a strategic transport strategy, delivery of major strategic transport infrastructure and economic advantage by attracting greater levels of central Government funding to the region. This also follows a Rail South Report in July 2017 that further updated the Board on initial TfSE progress.

2. RECOMMENDATIONS:

2.1 That the Board note TfSE progress to date and endorse Local Authority TfSE Shadow Board Members to continue to represent and champion the interests of the Greater Brighton City Region in its various Business Plans and activities.

2.2 That the Board supports Brighton & Hove City Council and City Region partners to submit a bid to the Transforming Cities Fund on behalf of the Board.

3. CONTEXT/ BACKGROUND INFORMATION

3.1 Since its inaugural meeting in June 2017, the Shadow Partnership Board has agreed its constitutional arrangements, membership, financial arrangements as well as a Business Plan including a timeline to achieve Statutory Body status by Spring 2020 alongside other emerging Sub National Transport Bodies (STB's) including Midlands Connect and England's Economic Heartlands. Transport for The North is due to achieve Statutory Body Status in April 2018.

3.2 Within the Greater Brighton City Region representation on the TfSE Shadow Board is from Leaders or lead members of Brighton & Hove City Council, West Sussex County Council, East Sussex County Council and Coast to Capital LEP as well as representation from Mid Sussex District Council on behalf of all boroughs and districts in the TfSE region.

3.3 Following discussions between the Chair of the Shadow Partnership Board and Secretary of State for Transport, TfSE, alongside other advanced emerging STB's, has been acknowledged and recognised as representing the region on strategic transport matters and therefore identified in specific consultations and matters of significance in relation to Transport.

3.4 A number of important work streams impacting Greater Brighton are being managed by, or are in development within TfSE Officer Working Groups and consultancy support. This includes responses to recent DfT consultations on the Strategic Road Network, Road Investment Strategy 2 priorities, proposals for a Major Road Network of important 'A' roads with new dedicated funding (Appendices 1 & 2) and early development of the Strategic Transport Strategy through the delivery of an Economic Connectivity Review pulling in wider development plans and important corridors for the Greater Brighton City and wider Region. For this latest work stream TfSE is being supported by consultants SDG and has been and will be further contacting respective Counties, Districts and LEPs through the Summer to ascertain and confirm development plans, key links, destinations and corridors that are essential in supporting and maintaining economic activity that underpin strategic transport provision.

Transforming Cities Fund

3.5 Greater Brighton will be seeking TfSE support on other consultations and its own bid opportunities including the recently announced Transforming Cities Fund that is more relevant to city regions seeking to address key transport and productivity challenges at a high level. The government have made £840 million of funding available from the original £1.7bn for improving intra-city transport in the largest urban areas with workday populations over 200,000.

3.6 Department for Transport are expecting bidding city regions to consider local stakeholder and private funding to maximise the value of the investment in the area. Whilst the initial sift will look at evidence of support from organisations such as local employers, research institutions, transport providers and housebuilders, shortlisted city regions will be able to strengthen their proposals if additional funding can be raised through local contributions or private investment.

3.7 The Fund seeks to provide significant investment in packages of projects to improve key intra-urban corridors, improving access to jobs and improvements in productivity. The bid guidance suggests that packages could invest in interlinked schemes such as new bus corridors, cycling and walking infrastructure, integrated ticketing and live journey information, or integrated ticketing and live journey information. For Greater Brighton, there may be opportunities to consider how the city region can become a test bed for new transport technologies that optimise existing transport network capacity and link the development of resilient energy infrastructure to support future transport technologies.

3.8 The Fund will take the form of a two stage process, with phase 1 bids due by 08 June. Initial consideration suggests that the Greater Brighton City Region would meet the bid criteria so it is proposed that officers and partners develop a bid for submission.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 TfSE provides an opportunity to support and deliver economic growth plans across the region through the development of a long- term strategic programme to identify a comprehensive package of transport measures to make the South East more competitive. It would complement the work of the LEPs and support delivery of Local Plans.

4.2 Through representation of members and senior officials on the Shadow TfSE Shadow Board from B&H City Council, WSCC, C2C LEP and Districts within the Greater Brighton City Region, TfSE will be able to influence the prioritisation of investment by the major national agencies such as Highways England and Network Rail to more directly influence the priorities and programmes of these agencies, as well as Central Government, so helping to secure delivery of longstanding transport infrastructure ambitions in a way that has not been possible in the past.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 Before progressing a proposal for an STB, the Constituent Authorities must undertake a consultation on the boundary proposals and it is proposed that the Shadow Board leads on this.

5.2 Public consultation is also required on the STB’s Transport Strategy prior to publication. Early development of an Economic Connectivity Review will involve consulting respective Highway and Planning Authorities and C2C LEP within the GBCR.

6. CONCLUSION

6.1 The TfSE Shadow Board will further support aims of the Greater Brighton City Region by delivering greater levels of investment in strategic transport infrastructure and policy provision for the South East region through the influencing of national decisions and securing significant levels of funding at a wider regional level.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 It is anticipated that Sub National Transport Bodies will provide opportunities for additional funding for the Greater Brighton and wider South East Region through influencing major spending decisions of Central Government Departments and Agencies on strategic transport infrastructure and policy, as well as further funding applications and the development of joint funding bids to deliver strategic priorities.

7.2 A £0.020m contribution was allocated by constituent Local Authorities in 2017/18 and a further £0.030m from B&H and £0.050m from County Councils in 2018/19 from existing revenue budgets to assist with workstreams. Any future costs to the Councils associated to membership and business of the STB will be considered as part of the annual budget setting process of the Shadow Board.

7.3 The Department for Transport have also allocated a £0.100m contribution to TfSE under Section 31 of the Local Government t Act for 2017/18 to aid development of its Transport Strategy as detailed in the report.

Finance Officer Consulted: Rob Allen *Date: 29/03/2018*

Legal Implications:

7.4 The Cities and Local Government Devolution Act 2016 allows the Secretary of State to make Regulations to establish a STB as a corporate body for any area in England outside Greater London.

7.5 Regulations can only be made if the Secretary of State considers that establishing a STB would facilitate the development and implementation of transport strategies for the area and that the effect of these strategies would be to promote economic growth in that area. The constituent authorities of the proposed STB are required to submit a proposal to the Secretary of State and to consent to the Regulations being made.

7.6 Before making a proposal the constituent authorities must undertake consultation. The membership, voting, executive arrangements and the functions of the executive body of the STB would be set out in the Regulations made by the Secretary of State.

Lawyer Consulted: Elizabeth Culbert *Date: 30.03.18*

Equalities Implications:

7.7 There are no specific Equalities issues in the formation of a Shadow Sub National Transport Body.

Sustainability Implications:

7.8 It is envisaged that greater opportunities for creating more sustainable strategic journeys can be achieved across the Greater Brighton City Region through the joint arrangements within TfSE utilising the enhanced partnerships with all legislative bodies, operators, local authorities, businesses and key stakeholders.

7.9 The preparation of a regional Transport Strategy, informed by the interests of the GBCR will further allow sustainability issues to feature and be raised at a strategic level.

Any Other Significant Implications:

7.10 None.

SUPPORTING DOCUMENTATION

Appendices:

1. TfSE Response to DfT's Consulttaion on Major Road Network (MRN) Proposals

.2. TfSE Response to DfT's Consultation on Highways England Strategic Road Network (RIS2) Proposals.

Appendix 1

Draft TfSE Response to Consultation on Proposals for the Creation of a Major Road Network

Dear Jesse Norman MP

PROPOSALS FOR THE CREATION OF A MAJOR ROAD NETWORK

I am pleased to respond, as Chair of the Shadow Partnership Board of Transport for the South East, to the Department for Transport's consultation launched on 23 December 2017. The Board appreciates the opportunity to shape this new approach to managing and funding the road network, and to ensure it can meet the priorities for our region.

TfSE welcomes the creation of the Major Road Network (MRN) and the additional investment this will bring to a wide range of the most economically important roads in the South East. Our full response to the consultation exercise is attached at Annex A but I wanted to highlight in this letter our position on a number of key issues. We see as a particular priority the need for full alignment of the investment planning process for the SRN and MRN networks together, if a single coherent system of main roads is to be developed for the benefit of users and the regional economy. Those beneficiaries are rightly central to the objectives set out for the MRN, but we think it important that greater prominence should also be given to environmental and safety imperatives.

On **network definition**, the first of the three main aspects of the consultation, TfSE commissioned Atkins to help build our evidence base and advise on the quantitative and qualitative criteria for defining the MRN in the South East; their report is attached in full at Annex B.

We support the proposal to use quantitative two-tier traffic flow criteria as the starting point for identifying the most economically important local authority roads. However, we challenge the suggestion that this should be augmented by the automatic inclusion of all recently de-trunked roads: many of these roads were removed from the SRN because of the development of new higher standard links, such that they now carry insufficient traffic to pass any nationally consistent threshold.

We agree with the use of qualitative criteria to ensure that a coherent network emerges that recognises regional and local characteristics and works most effectively alongside the SRN. The Atkins work has led us to propose an adjusted structure of three qualitative criteria to complete the definition of the MRN nationally. Our consultation response sets out our approach to the three: Completing Economic Connections; Resilience for the SRN; and Relief for the SRN.

Applying those criteria, we have identified some additions needed to the indicative MRN in the South East put forward by the Department, along with a smaller number of deletions. These are shown on the map in Annex C. We seek to add more miles than we remove, but believe this is justified by what should be as far as possible a consistent approach across the English regions.

We support a five-year cycle for reviewing the MRN, in a joint exercise with review of the SRN; and are keen that MRN definition takes full account of future growth areas, and recognises the potentially transformational role of major improvement in the region's road network.

On **investment planning**, we are content with the general balance of responsibilities for local highway authorities and STBs, with STBs managing the Regional Evidence Bases that will be used to identify suitable investment schemes. We would expect the Department's investigation of the potential requirements for Regional Evidence Bases to lead to appropriate funding support for the STBs work in preparing them. The cost implications for local highway authorities of preparatory scheme development work also need to be recognised; the approach to the MRN should be aligned with that for the SRN, where funding is allocated within the RIS for scheme development work and strategic studies, a significant proportion of which is revenue funded.

The shared responsibility of the Department and STBs' for updating the Programme and Evidence Bases every two years will need to be adapted to ensure the process remains aligned with the five-year cycle for the MRN and SRN as a whole.

On **eligibility and assessment criteria** we strongly support the inclusion of Packages of Improvements in the types of scheme that will be eligible for funding; we agree that these could play a crucial part in raising the standard of the MRN and in meeting TfSE strategic objectives for the road network in the region. We note the prominence of bypass schemes in the presentation of the MRN concept so far. These would clearly do much to enhance the performance of MRN roads and significantly reduce their local impacts; however, we think it important that they be developed as far as possible as part of a strategy for that MRN corridor as a whole, so that they can contribute most effectively to unlocking growth potential.

We challenge the suggestion that some schemes on the SRN of a 'distinct local sub-national nature' could qualify for MRN funding; it will be important to hold to the principle that all work on the SRN itself is to be funded by Highways England through the RIS.

We note the general presumption against funding public transport improvements, but believe that the exception cited, where such investment forms part of a wider package of interventions, should in practice allow a substantial element of facilitation of bus and coach travel in plans for enhancing the MRN, on both urban and rural stretches.

Finally, we seek assurance that the revenue spending implications of any capital investments schemes will be addressed, through adjustment to existing funding channels for local highway authorities. We very much welcome the guiding principle for the MRN that its creation should in no way adversely affect local highways maintenance funding. We, and the local highway authorities themselves, will rely on the Department ensuring adherence to this principle.

The creation of the MRN is a welcome recognition of the importance of major local highway authority roads and their key role in providing a seamless service alongside the SRN. We look forward to working closely with the Department as the concept is firmed up and detailed operational arrangements are put in place. We would welcome the opportunity to discuss our response and how the MRN in the South East can best support the needs of the region.

Cllr Keith Glazier
Leader, East Sussex County Council

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Annex A - Response to Consultation Questions

Core Principles

1. ***Do you agree with the proposed core principles for the MRN outlined in this document?***

We fully agree with five of the six proposed *core principles*, although we are concerned about an exclusive focus on enhancement and major renewals, to the detriment of revenue funding for maintenance. From the five *objectives* for the MRN from which these principles are derived, we question the approach taken to Supporting the SRN, but otherwise agree that these will enable the MRN to help deliver the Government's Transport Investment Strategy.

Core principles: We are pleased to see *Increased Certainty of Funding* as the first principle. It will be important to build in safeguards to the bidding process to give some confidence on availability of funding beyond a single five-year period, to maximise the effectiveness of investment planning and efficient use of the supply chain. *A Consistent Network* is also key, but can only refer to consistency of definition, not to consistency of standard or user experience (which we pick up on in our response to Q16). We strongly agree, in respect of *Strengthening Links with the SRN*, that the MRN and SRN investment programmes must be complementary. There must be full alignment of the investment planning process for the two networks if the STBs are to carry out their key function of developing a single coherent system of main roads for the benefit of users and the regional economy.

Improved standards and performance across the MRN depend as much on sufficient revenue funding for traffic management, information provision and day-to-day maintenance as they do on capital enhancements or major renewals. If this cannot be accommodated within the MRN Investment Programme itself, it is essential that existing funding arrangements for local highway authorities are adjusted to channel extra revenue resources to authorities in proportion to the extent of MRN road for which they are responsible, to enable them to meet the higher expectations and maintenance cost that MRN status will generate.

Objectives: *Support the SRN* only needs to be included because Government is progressing the MRN as comprising local roads only, not the broader concept, embracing the SRN too, that was put forward by Rees Jeffreys. This objective might be better formulated as 'provide a single seamless service'. We recognise there is in places a particular need to improve flows between the SRN and MRN, but this should be a priority for Highways England-led investment in the SRN.

We are concerned that the set of five objectives for the MRN gives insufficient prominence to environmental and safety considerations. Safety must be a key element of the 'better journeys' implicit in *Support all Users; and* the environmental imperatives picked up in passing under *Reduce Congestion* may merit being separately highlighted. This broadening of the objectives for the MRN is needed to underpin a more comprehensive set of criteria for investment assessment (see our response to Q14).

Defining the MRN

Transport for the South East commissioned Atkins to advise on the quantitative and qualitative criteria for MRN definition that best meet the needs of the South East region; their report is attached in full at Annex B, and forms the basis for our responses to Q2-6. We set out here TfSE's current agreed view on defining our MRN, but this will need to evolve to take account of the development of the Transport Strategy for the region in due course.

2. ***To what extent do you agree or disagree with the quantitative criteria outlined and their proposed application?***

We agree with the use of the two-tier traffic flow criterion as the starting point for identifying the most economically important local authority roads. We note that Rees Jeffreys investigated as an alternative to traffic flow the use of other metrics that might more accurately reflect the economic importance of the road, such as a possible formula based on the GVA of the hubs at each end and the distance they are apart, although it struggled to find a readily accessible comprehensive dataset on GVA. We therefore agree with the Rees Jeffreys conclusion that AADF itself should be able to act as a simple and effective proxy.

The Consultation Document does not specify what AADF thresholds the Department has used to generate the new indicative MRN; TfSE has come to the view that the specific criteria used by Rees Jeffreys remain appropriate for our needs, but with two modifications:

> *Fine-tune the threshold test to avoid distortions:* using the simple Rees Jeffreys approach means a road with traffic flow only just below 20k AADF, and with HGV and LGV proportions only just below the 5% / 15% thresholds, would not qualify for inclusion; whereas a road only just over 10,000 AADF and just exceeding, say, the 15% threshold <u>would</u> qualify. We propose a scoring system to apply the three tests in a more graduated way, with roads in the 10 to 20k AADF band qualifying for inclusion only if they either fully meet one of the qualifying conditions, or score more than the equivalent of meeting two out of the three[1].

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[1] Relevant links with traffic flows of between 10,000 and 20,000 to be identified for inclusion in the MRN using a score calculated as the average of:

- the extent to which AADF exceeds 10k (AADF - 10,000)/ (20,000 – 10,000);
- the extent to which the HGV percentage reaches the 5% level (HGV percentage / 5%); and
- the extent to which the LGV percentage reaches the 15% level (LGV percentage / 15%)

Links scoring more than 0.67 (i.e. the equivalent of fully meeting two of the three criteria) to be included in the indicative MRN network in addition to those passing on one test alone; this therefore allows those links with moderate scores against each criterion to be included, as well as those with a high score against only one criterion.

Use a five-year average of traffic count data: we see some risk in relying on a single year's traffic count as it could be unrepresentative as a result of temporary peaks or troughs in traffic flow, or equipment faults. Any inconsistencies could be smoothed out by using the average of both the latest data available (2016?) and the four preceding years.

We agree with the Department's proposal not to attempt to factor forecast future traffic growth into the AADF data used to determine inclusion in the MRN. Rees Jeffreys' use of varying growth rates to 2040 from the NRTF by region and road type is not specific enough to add value. Atkins have suggested we might derive a shorter-term forecast derived from the Highways England Regional Traffic Model, for the South East, when available. At this stage, however, we concur with the consultation proposal to use 'current' data only. Nonetheless, the qualitative criteria used take account now of designated growth areas (see response to Q3); this should not be left as a consideration only in future reviews of the network. And is essential that the approach to the MRN in each region recognises that investment in it could be transformational, supporting a step change in planned economic and housing growth.

We disagree with the consultation proposal to include all de-trunked roads; the reference in the paper to 'where appropriate' is unclear, but we feel this could only mean where they meet the other criteria - in which case there is no need to make special reference to detrunked roads. We recognise that, across the country, many former trunk roads continue to play a very important regional role, and so are likely to qualify for inclusion on the basis of traffic flow, for example. But a blanket policy to include all roads detrunked between 2001 and 2009 would undermine a consistent national approach to MRN definition, as the pre-2001 trunk road network was biased towards the Midlands and North (particularly after previous rounds of detrunking of e.g. the A4 and A30 in the 1970s). The South East (and South West) had by 2001 a relatively thin network of trunk roads, and still does. We believe the South East has many roads with a stronger claim for MRN status than some detrunked stretches elsewhere in the country[2]. (Nonetheless, this concern applies to one section of proposed MRN in the South East too: the A259 between Brenzett and Folkestone in Kent which was detrunked when replaced by the A2070 and now carries 9,500 AADF or less.)

It should be noted that some anomalies may arise, not just in the South East, because the starting point for MRN definition is limited to the set of 'A' roads across England. Some 'B' roads perform an important function in connecting economic activity and resilience for the SRN: in the South East, this is the case for 5 miles of the B3270 connecting J10 and J11 of the M4 through business parks on the southern edge of Reading, and a short stretch of the B255 from the A2 Bean Interchange in Kent. We are not however proposing these for the MRN at this stage, as the onus should first be on the relevant local highway authority to reclassify the road as 'A'.

[2] for example, the formerly trunk A167 in County Durham has 2016 AADF of only 3,269 at Chilton.

3. *To what extent do you agree or disagree with the qualitative criteria outlined and their application?*

Ensuring a Coherent Network is presented as the first of three qualitative criteria, but we see it as more of a methodological requirement than a substantive addition to the set of roads included in the MRN. Adding and removing individual links as proposed is essential to convert the raw output from applying the quantitative criteria into a meaningful set of through routes. (It only becomes a truly coherent network when presented in combination with the SRN.). We agree with the methodology proposed.

The other two qualitative criteria pick up the key substantive elements that need to be added, but they are umbrella terms covering several distinct considerations.

Atkins have aided our understanding of what the two headings should embrace and how they could be applied consistently at the national level by focusing on five available national datasets, in addition to the set of population centres and gateways or transport hubs identified in the proposal.

- employment density (NOMIS data)
- Enterprise Zones and 'Economic Opportunity Areas' (as used by Highways England3)
- proximity of adjacent economic centres (population hubs)
- Agreed Diversion Routes from the SRN
- SRN performance - average speed by link

This leads us to propose an adjusted structure of three qualitative criteria to complete the definition of the MRN nationally:

1: Completing economic connections: additions to the quantitative-derived MRN to ensure that all qualifying economic centres are connected to the combined SRN / MRN. We are content with the approach taken by Rees Jeffreys, based on centres over 50k population and exceptionally 25k. (That lower limit is invoked for the Isle of Wight, to connect Newport (population 25,500) to the MRN, and hence opening up access to the island as a whole, population 140,000.) We propose that these be complemented by identified growth areas, to ensure that the MRN is fit for the coming decade and can help facilitate growth.

But the MRN definition requires clarity on two aspects:

- the level of activity at international gateways and other road freight hubs that justifies them having SRN / MRN access (with all more important gateways having SRN rather than MRN connection). The methodology should specify minimum tonnage or passenger volumes (recognising wherever possible the extent to which this traffic impacts on the road network as opposed to rail).

[3] The 'Economic Opportunity Areas' were developed in conjunction with regional stakeholders as part of Highways England's Strategic Economic Growth Plan and are currently under further review.

- whilst the MRN needs to be designated right up to the entrance to the port or airport, it is less clear how far MRN roads should continue into the centres of towns and cities: should they only form part of the network if they then continue as through routes, or should spurs off the MRN consistently also be included in the MRN? We believe that such spurs are only justified exceptionally if they serve major coastal towns or in situations a where it is possible to pinpoint the traffic-generating heart of an urban area. Main urban corridors otherwise only belong in the MRN if they form through routes, and hence are able to support criteria (2) and / or (3) below, not just completing economic connections. We set out, in response to Q13 below, how the stretches of urban MRN require special treatment in recognition of the multiple roles they need to perform and the need to maximise space-efficient modes4.

2: Resilience for the SRN: The SRN is the most important transport infrastructure supporting England's economy, but sections consistently provide a poor service through overloading. This particularly applies to the South East, where the length of SRN is unusually small in relation to population and economic activity (see response to Q4), and where the concentration of international gateways serving the whole country places exceptional pressures on the region's SRN. The MRN must be able to work seamlessly in conjunction with the SRN such that the two together most effectively meet the needs of business. This may mean designating as MRN some additional major roads running parallel to the busiest SRN stretches, where those local roads are capable, with some investment in extra capacity, of backing up the SRN road which is approaching the limits of deliverable extra capacity. We suggest however that local roads parallel to the SRN that run through sensitive urban or rural environments should not be included unless the SRN stretch in question is even less suited for expansion, and unless MRN investment can bring environmental benefits.

This resilience criterion should not in our view entail including in the MRN the full set of Agreed Diversion Routes for the SRN: these perform a specific role, in the case of incidents and roadworks only, of carrying traffic from one SRN junction to the next. Improvements needed to these roads should be covered, as currently envisaged in the RIS, from SRN funding and not as part of the new MRN programme.

3: Relief for the SRN: The MRN should also complement the SRN in a broader sense, ensuring it provides additional connectivity further away from the SRN itself that amongst other things takes pressure off the SRN. MRN designation should not just aim to hook all qualifying economic centres up to an SRN core, but should also embrace direct connections between economic centres that might currently be marginal in MRN terms on traffic grounds. Maximum value can be gained from the MRN programme when it opens up more direct options for journeys from A to B which currently have no realistic choice but to take a longer route via overloaded stretches of the SRN, such as the M25. And of course many of the links to be included on the grounds of relief to the SRN will also directly support economic connections (qualitative criterion 1), particularly to growth areas.

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[4] Urban MRN roads should be carrying a higher proportion of bus/coach movement than elsewhere. It could in theory make sense to allow a lower overall AADF threshold for such roads, in conjunction with introducing a minimum proportion for Public Service Vehicle traffic. However, we reject this approach as the focus should be on the potential for modal shift to public transport, rather than having achieved it already.

We have considered whether there is a case for a *fourth qualitative consideration*, in the form of a commitment not to designate as MRN any road that runs through environmentally sensitive areas. Atkins have mapped all parts of the TfSE region that are protected as National Park, AONBs or Ramsar sites, some of which is already crossed by SRN roads *(see Fig 6-1, in the Atkins report in Annex B).* Where there is a good case for an MRN connection impinging on a protected landscape, extra investment arising could be directed not at increasing capacity but, through a package approach, at improving the standard of local environmental mitigation and preventing rat-running on less suitable local roads that cut further into the protected area. For that reason, we are not seeking to rule out MRN designation in these areas.

4. ***Have both the quantitative and qualitative criteria proposed in the consultation document identified all sections of road you feel should be included in the MRN?***

No. Applying the modified criteria set out above, Transport for the South East has identified some additions needed to the indicative MRN for its region, and some deletions. We seek to add more miles than we remove, but we believe this is justified by what should be as far as possible a consistent approach across the English regions. We note that the total length of the indicative MRN proposed by DfT is some 5,000 miles[5], around 19% longer than the 4,200 miles of SRN. Our proposed MRN in the South East amounts to 930 miles, around 34% longer than the 695 miles of SRN in our region. We believe there is a strong case for a disproportionately large MRN in the South East: with 67 miles of SRN per million population, 15% below the English average, the SE SRN is unusually sparse; and it is significantly more heavily trafficked (SE motorways carry 10% more traffic per mile than the national average, and dual carriageways here are nearly 40% busier).

We seek a net addition of 350 miles of road to the 580 mile long indicative MRN in the South East. Some minor adjustments arise from application of the modified quantitative criteria we propose, but the list of additions is mainly generated by the richer approach to qualitative criteria. In total, 106 miles of this increase provides direct additional resilience to overstretched parallel SRN roads. Many of these additions, and also of those put forward for reasons of connectivity and relief to the SRN, already meet the quantitative traffic criteria; we are simply seeking restoration to the MRN of links in heavily trafficked suburban areas of Berkshire, Surrey and Kent which Rees Jeffreys had removed (and DfT have provisionally confirmed) when aiming for a more spatially balanced network.

5. ***Have the quantitative or qualitative criteria proposed in the consultation identified sections of road you feel should not be included in the MRN?***

Yes. As noted above, the blanket inclusion of detrunked roads has led to inappropriate inclusions across the country, including, as noted, the easternmost stretch of the A259 in Kent

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[5] We assume that this national length (as noted in the 19 December DfT press notice) is the 'appropriate' size referred to on p22 of the Consultation Document, being small enough for 'an improvement in performance to be achievable across its entirety' (p20).

6. ***Do you agree with the proposal for how the MRN should be reviewed in future years?***

Yes. We agree with the recognition that a balance needs to be struck between stability of the MRN - for planning, operation, and public perception - and maintaining relevance to the country's needs. The five-year cycle, reviewing the MRN, in a joint exercise with the SRN, is appropriate; with perhaps the expectation that more fundamental challenge of the extent of both networks is only carried out in preparation for alternate Road Periods, every ten years.

Investment planning

7. ***To what extent do you agree or disagree with the roles outlined for local, regional and national bodies?***

8. ***What additional responsibilities, if any, should be included? Please state at which level these roles should be allocated.***

We are content with the general balance of responsibilities across the different levels, and welcome the focus on a programme of investment proposals from the STB. Greater clarity will be needed about the Department's role in assessing and prioritising the Regional Evidence Bases, and we seek assurance that this would not simply entail ranking one region's submission over another's. We comment in response to Q11 on the proposed role for Highways England.

We agree that the STBs are best-placed to take on the important strategic role for the MRN as proposed. Each STB should have full responsibility for the development of its Regional Evidence Base, subject only to guidance from the Department, but working closely with local highway authorities and LEPs and taking account of their Strategic Economic Plans. We welcome the recognition in this consultation of the additional work that this will entail for regions; we would expect the Department's investigation of the potential requirements here to lead to appropriate funding support for the STBs for Regional Evidence Base preparation. The cost implications for LHAs of preparatory work also need to be recognised; the approach to the MRN should be aligned with that for the SRN, where funding is allocated within the RIS for scheme development work and strategic studies.

The shared Department and STBs' responsibility for updating the Programme and Evidence Bases every two years should be adapted to ensure the process remains aligned with the five-year cycle for the MRN and SRN as a whole; we suggest that the interim review takes place only in years 2 and 4 of each Road Period.

The STBs will want to work in partnership with Government on longer-term planning for the National Road Fund, having a say on the approach to future funding and distribution between the SRN and the MRN. A pipeline of schemes will be most effectively built up if there is visibility of likely funding levels for the MRN running into the next five-year planning period.

We welcome the proposed flexibility for regions to design and manage the process of submitting for consideration by the Department schemes which are supported by the local authority and relevant LEP. There also needs to be ongoing flexibility over the region's programme of schemes so that spend can be managed effectively; this has worked well with the Local Growth Fund.

It will often be more appropriate for the STB, rather than an individual local authority, to take the lead in identifying and prioritising investment proposals, particularly where the road affected crosses an LHA border and so is the responsibility of multiple authorities. Whilst the South East has no Combined Authority areas, the Thames Valley area is characterised by smaller highway authorities and TfSE leadership may be particularly appropriate for schemes there. LHAs nonetheless have a central role in identifying the need for enhancements to the MRN, ensuring local dialogue feeds in expertise about the most effective solutions, for example in the last mile approach to international gateways.

And the STB should not be the owner of the scheme itself once funding has been approved. As noted on p31, a single local highway authority should take overall responsibility for delivery of each scheme, although in many cases this would be a lead authority, working closely with neighbouring authorities also having an ownership interest in the road

Where appropriate, the relevant LEP should be an active partner in development plans for an MRN road, particularly where the primary rationale is completing economic connections. It is important that proposed investments on the MRN align with the delivery of LEP Growth Deals and that the LEPs have a substantial input into the STB's overall prioritisation of projects.

9. ***Do you agree with our proposals to agree regional groupings to support the investment planning of the MRN in areas where no sub-national transport bodies (STBs) exist?***

TfSE's interest in this question is limited to seeking assurance that arrangements for managing the development of the MRN in non-STB areas take full account of the impacts on neighbouring STBs. We look forward to effective cooperation with the regional grouping put in place for the South West in respect of strategic and local issues arising at our boundary with Dorset and with Wiltshire. It is also important that Transport for London plays an active role in the MRN programme, as many MRN corridors in our region continue into the Greater London area.

10. ***Are there any other factors, or evidence, that should be included within the scope of the Regional Evidence Bases?***

We believe strongly that an effective Regional Evidence Base must embrace the role of Highways England's roads within the region: investment proposals for the MRN must be founded on an assessment of the role of the two networks in combination. And the Regional Evidence Base should also take account of major investment plans for the rail network which could affect demand for road-based transport.

Whilst the proposed fast-tracking of a number of schemes for early entry this year into the MRN Investment Programme means such proposals will not be underpinned by the full Regional Evidence Base, we recognise the value in making early progress with the MRN concept. It is likely that our constituent authorities will have proposals that they wish to be fast tracked.

11. Do you agree with the role that has been outlined for Highways England?

We fully support an active role for Highways England in the MRN Programme, in all English regions, whether or not an STB is in place, and so it will need to be sufficiently resourced for this role. As noted earlier, priorities for the MRN must take full account of plans in the RIS for the Highways England network. The consultation on Highways England's SRN Initial Report just concluded asked whether there should be any changes in the roads included in the SRN[6], and so should soon settle the boundary between SRN and local authority roads for at least the next Roads Period. As a result, the Highways England role in the MRN should be limited to the four support activities proposed in the Consultation Document; any greater intervention in the responsibilities of local highway authorities or STBs would be inappropriate.

Eligibility & Investment Assessment

13. Do you agree with the eligibility criteria outlined?

(We address this question first, ahead of commenting, re Q12, on the cost thresholds that are then appropriate.) This early guidance on the types of scheme the Department feels should be eligible for funding is key to understanding the intended impact of the MRN Programme. We strongly support the inclusion of *Packages of Improvements*, and agree that these could play a crucial part in raising the standard of the MRN and in meeting TfSE strategic objectives for the road network in the region. A focus on a package of minor enhancements along an MRN corridor would be the most effective way of addressing deficiencies in the performance and safety of a road, and its environmental impact, along the lines of the Rees Jeffreys vision of an MRN that is fit for purpose. This could include adding separate cycling provision off-line, which could dramatically improve safety and traffic flow.

We see a potential model for the approach to key MRN corridors in the phased upgrading of All-Purpose Trunk Roads to expressways set out in Highways England's SRN Initial Report, with its aim of consistent treatment for longer stretches of road to improve their overall performance. The roll-out of the expressway concept to the busiest sections of the MRN as well as the SRN should be considered in the longer term.

As the Department sets out, some *Widening* and *Junction Improvem*ents will be sufficiently large-scale to qualify as MRN schemes in their own right, or indeed could be

[6] In its response to that consultation TfSE has proposed for transfer to the SRN a number of roads in Kent which are treated here as remaining under LHA control and hence part of the MRN. Some of these roads perform an important role within the SRN, for longer-distance traffic; if they are to remain as MRN, there may be a case for allocating some RIS2 funding to the relevant LHA so that the road can best perform that support function.

proposed in combination for a short stretch of road, where investment needs to be more concentrated than for the longer corridor that would be the subject of a Package of Improvements. We would however expect improvement to junctions that link the MRN to the SRN to be led by Highways England and funded through the RIS.

Similarly, it is possible that some *Missing Links*, where they lead off the SRN, would better form part of the SRN and so should also be led by Highways England and funded through the RIS. We would expect all other Missing Links to gain MRN status once funded as part of the MRN Programme.

We note that *Major Structural Renewals* should also play a big role in raising the standard of the MRN, and indeed may be essential in ensuring the network is fully accessible to the freight traffic that is a key part of its rationale (see also response to Q16).

We welcome the inclusion of schemes focused on *VMS, Traffic Management and the Use of Smart Technology and Data*, and envisage that these would cover subsets of the Network rather than just individual stretches of road: these should as far as possible be fully integrated with (and use the same technologies as) existing and proposed new Highways England systems.

We note the prominence of *Bypasses* in the presentation of the MRN concept so far. These would clearly do much to enhance the performance of MRN roads and significantly reduce their local impacts – and so would be widely welcomed – but we think it important that they be developed as far as possible as part of a strategy for the MRN corridor as a whole, in which context they will be able to contribute most effectively to unlocking growth potential. Account must be taken of the effect, in terms of increased traffic, of taking forward only the most pressing bypass candidate on a road on communities elsewhere on the road.

We should comment on the proposed exclusions from programme eligibility too. We support the first and fourth exclusions proposed. We challenge however the suggestion in the second exclusion that some schemes on the SRN of a 'distinct local sub-national nature' could qualify for MRN funding; it will be important to hold to the principle that all work on the SRN itself is to be funded by Highways England through the RIS.

There is a presumption against covering **public transport improvements**, but the exception cited should in fact allow a substantial element of facilitation of bus and coach travel in plans for enhancing the MRN: this is potentially a significant contributor to reducing congestion, the first of the objectives for the MRN. All MRN roads should support better access to bus and coach services as a means of ensuring the whole network can be used as efficiently as possible.

Public transport, and other alternatives to the private car, should form a central component of a distinct approach to the needs of MRN corridors in urban areas. We endorse the special treatment proposed by the Rees Jeffreys report to what it classed as 'Tier 3' roads within the MRN, recognising how these roads serve the needs of 'place' as much as 'movement', and how management of such roads must be firmly in the context of the wider transportation policies for that urban area. We would expect bus priority schemes and careful attention to enhancing the local streetscape to be prominent features of corridor improvements on urban MRN roads.

In all cases, we seek assurance that the revenue spending implications of all these capital investments will be addressed, through adjustment to existing funding channels for local highway authorities. We accept that the day-to-day maintenance of the MRN will remain the responsibility of LHAs through existing separate funding channels; we, and the authorities themselves, will rely on the Department ensuring adherence to the guiding principle for the MRN that local highways maintenance funding should not in any way be adversely affected by its creation. This could entail maintenance funding being increased where MRN interventions add to an authority's total road mileage.

12. Do you agree with the cost thresholds outlined?

Yes; we agree that the majority of cost-effective interventions should fall within the £20-50 million range, but we note that Packages of Improvement in particular may present a strong case for funding up to the £100 million limit. There may be need for some flexibility in the lower £20m floor, particularly where schemes are to be taken forward by smaller unitary LHAs, and given the constraints on local contributions.

14. Do you agree with the investment assessment criteria outlined?

15. In addition to the eligibility and investment assessment criteria described what, if any, additional criteria should be included in the proposal? Please be as detailed as possible.

We believe there is scope to adjust these criteria in line with the broadening of the overall objectives for the MRN that we suggest in response to Q1. Under *Support All Road Users,* safety for all users deserves most prominence, followed by a focus on journey quality for users: this should apply across the road network as a whole the assessments of end-to-end journey times, reliability and resilience that are proposed here under the narrower heading of *Support the SRN*. Greater buy-in from all stakeholders to investment in the MRN should be secured if the environmental impacts currently noted under *Reduce Congestion* were highlighted separately. As a new sixth objective, this could be expanded to also assess severance and design aspects of MRN investment proposals.

Other considerations

16. Is there anything further you would like added to the MRN proposals?

(a) The Consultation Document makes only passing references to the goal of **improving the performance of roads in the MRN**, but this must be a pre-condition for the network achieving its objective of supporting the economy. The MRN will be managed and funded alongside the SRN, which is now subject to a detailed performance specification, carefully monitored by the Office of Rail and Road. TfSE believes there should be a commitment, for the longer term, to move towards a comparable regime for the MRN. The success of the MRN programme will not come from a series of isolated enhancements alone, but from a concerted effort over several investment cycles to improve the user experience of roads included in the network. To prepare for this necessary holistic focus on performance on the entirety of an MRN route, it is crucial that local highway authorities secure balanced funding, capital and revenue, to be able to live up to the raised expectations that MRN status will bring.

(b) There is also the key prior consideration of **standards for the infrastructure of MRN roads**. Even after a prolonged period of substantial investment, the MRN will vary greatly in standard of road; Rees Jeffreys proposed a permanent sub-division of MRN roads according to the context in which they operate, but TfSE sees no pressing need to work up a system of classification within the MRN (other than the need for a distinct approach to urban MRN roads). It will however be important to ensure that all roads in the MRN meet a certain minimum standard of capability, particularly with regard to HGV traffic and structures: investment, possibly smaller scale and outside the scope of the bidding process, will need to be directed to ensure that height and weight limits do not exclude some classes of motorised traffic from using the MRN.

(c) Finally, we would appreciate clarification of the Government's intentions in relation to development consent and **applicability of the National Policy Statement for National Networks**: will the MRN, once designated, be classed alongside the SRN such that larger developments on the MRN automatically come within scope of the planning requirements for nationally significant infrastructure projects?

Annex B – Atkins Technical Report – Major Road Network Review

See separate document.

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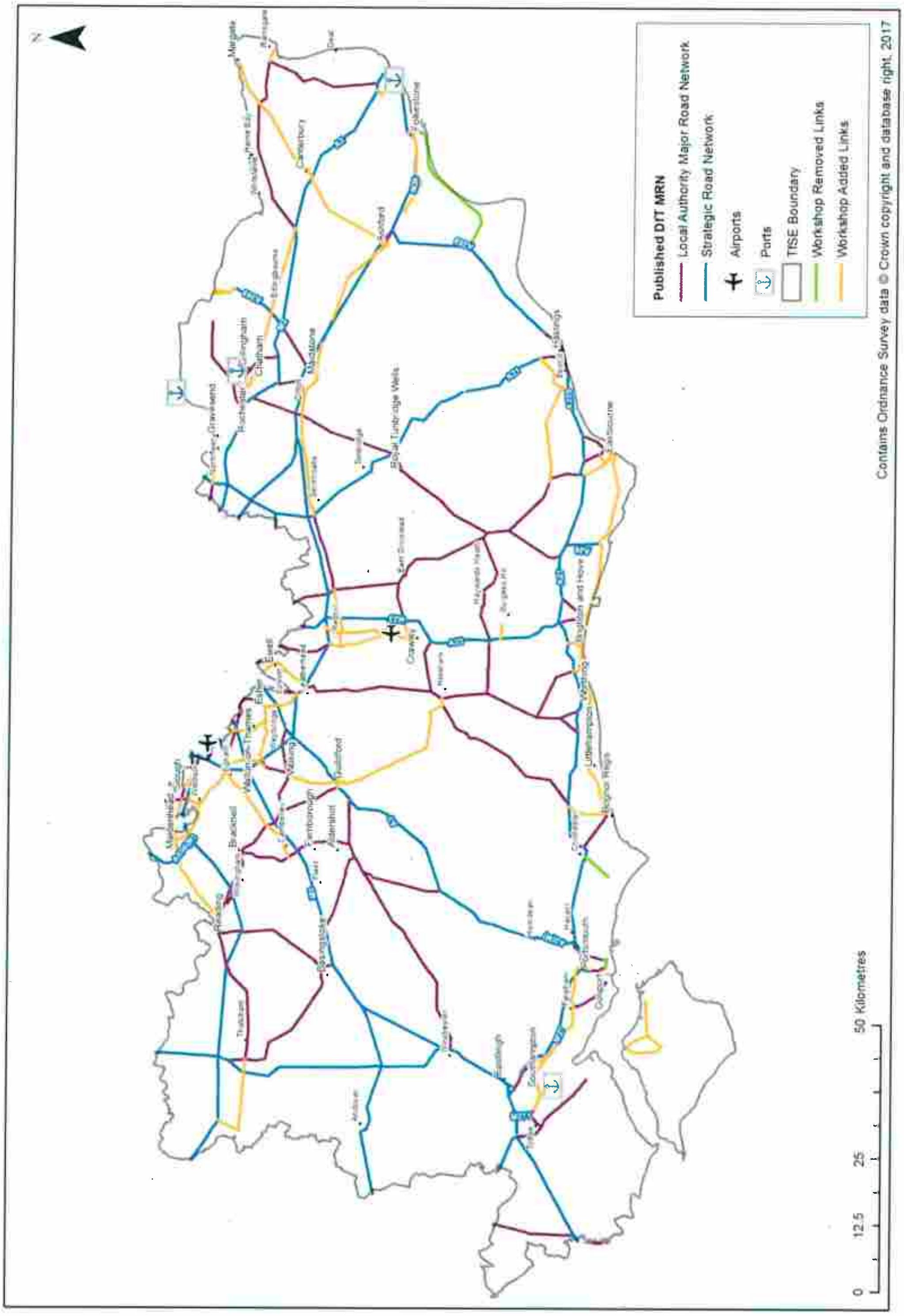
Annex C. A map showing suggested changes to the proposed MRN in the South East



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Appendix 1 Draft TfSE Response to Consultation on Strategic Road Network Initial Report

Dear Jesse Norman MP

Shaping the Future of England's Strategic Roads
Consultation on Highways England's Initial Report

I am writing to you as Chair of Transport for the South East (TfSE), the Shadow Sub-National Transport Body (STB) for the South East, in response to the Department for Transport's (DfT) consultation on the future of the Strategic Road Network (SRN).

TfSE welcomes the opportunity to respond to the consultation, the focus of which is a set of proposals made in Highways England's Initial Report. The SRN is a vital element of the South East's transport system, connecting key population centres and areas of economic activity with the international gateways in the South East and destinations across the UK. As an emerging STB, TfSE is seeking to build an effective partnership with Highways England. This will be particularly important given the interrelationship between the future SRN investment programme and TfSE's Transport Strategy, as well as the role envisaged for STBs in shaping the investment programme for the proposed Major Road Network.

Highways England has made significant progress in its approach to the development of RIS2. Many of the lessons from RIS1 have been taken into account and it is clear from the Initial Report that a considerable amount of research has been undertaken to inform its priorities for RIS2. The Government is yet to set out its emerging thinking on the balance between the competing priorities within the RIS2 programme and the specific schemes that are to be taken forward. In view of this, we see the need for further engagement with TfSE and the other STBs, once the Government has responded to the consultation on the Initial Report.

TfSE has recently commenced work on the development of its Transport Strategy, with the first stage comprising an Economic Connectivity Review. The draft vision and strategic objectives for the Transport Strategy align closely with the aims of the Government's Transport Investment Strategy and the Industrial Strategy White Paper as well as the key aims for RIS2 set out in the consultation document. The Economic Connectivity Review and the subsequent Transport Strategy will provide an evidence base to help shape the infrastructure investment priorities across the South East. It is vital that there is further opportunity for engagement into the RIS2 process to ensure that the emerging TfSE investment priorities and the Government's RIS2 priorities are as closely aligned as possible.

TfSE has already set out its initial list of priority schemes for the RIS2 period in response to a request from the DfT. These priorities for investment are set out in Annex 1. The sixteen enhancement schemes identified were prioritised from a longer list of candidate schemes following consultation with each of our constituent local transport authorities and the Local Enterprise Partnerships. These schemes are essential for the country as a whole if the nation is to meet the growth agenda set out in the Industrial Strategy to further our growth ambitions for the South East and the contribution we can make to meet the priorities that the Government has established for RIS2.

Responses to each of the questions contained in the consultation document are set out in Annex 2. There are a number of key points from the responses that I wanted to draw to your particular attention to, which are set out below.

Support for the creation of new housing is one of the four goals for infrastructure investment set out in the Government's Transport Investment Strategy and Industrial Strategy White Paper. However, this goal has not translated into the five key aims for RIS2 set out in the consultation document. Increase in the housing supply will be vital if the increase in economic output which is a key aim of the Government, both for RIS2 and TfSE, is to be delivered. There should be a stronger link between this objective and the RIS2 priorities and the performance measures that are established for Highways England.

Given the emphasis on the economy, the views of Local Enterprise Partnerships, businesses and the road freight sector in particular need to be given greater consideration to ensure the SRN develops in a way that will better serve their particular needs.

Effective integration between the SRN, the local road network and the soon to be formed Major Road Network will be vital to ensure the country's road network delivers the seamless end to end journeys that users want. In the future, solutions to issues identified on the SRN are likely to require improvements on the MRN or local road network, including initiatives to increase the use of sustainable forms of transport. Effective liaison will be required to ensure the strategies of the different bodies involved in the management of the road network are aligned effectively and operation efficiencies realised.

Highways England places a strong emphasis on its operational priorities in the Initial Report arguing for increased funding for these in future years. Highways England will need to meet both its operational and enhancement priorities if the Government is to achieve its aims and careful consideration will need to be given to the allocation of funds to these two competing areas.

It is clear from the Initial Report that Highways England have undertaken a thorough assessment of the what the future may look like and which tries to take account of the social and technological changes that are likely to affect travel in the future. In the face of the uncertainty HE is adopting more of a 'wait-and-see' approach, opting to watch emerging trends and develop responses as needed. However, given the importance of the SRN network to the country's mobility, Highways England should adopt a more proactive approach to influence what that future looks like to ensure that the potential benefits to their operations that future technological change could bring about can be realised. The DfT as Highways England's main shareholder will have a key role in influencing this.

As set out in the Initial Report, many of the schemes included in RIS1 will not be constructed until the early years of RIS2 and will take up a significant proportion of any funding available in the early years of the second Roads Period. Further clarification is sought on what the implications of this are likely to be for the RIS2 programme. As far as possible the RIS1 schemes which are currently under development will need to be kept under review to ensure they align with the priorities set out for RIS2 including the introduction of expressways, free flow junctions and last mile improvements.

The SRN has a vital role in connecting people, places and businesses in the South East. Given this, TfSE and the other STBs must continue to be engaged in the RIS2 process. We would welcome the opportunity for further discussions about how this could be taken forward.

Yours sincerely,

Councillor Keith Glazier
Chair of TfSE Shadow Partnership Board and Leader of East Sussex County Council

CC:
Members of the TfSE Shadow Partnership Board - Steve Allen, Cllr. Paul Carter CBE, Geoff French CBE, Cllr. Bob Lanzer, Cllr. David Hodge CBE, Cllr. Rob Humby, Cllr. Alan Jarrett, David Lees, Cllr. Gill Mitchell, Cllr. Tony Page, Margaret Paren, Cllr. Jacqui Rayment, Cllr. Ian Ward, Cllr Garry Wall.

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Annex 1 – TfSE's RIS 2 Priorities

22 August 2017

Dear Jesse Norman MP

Road Investment Strategy (RIS 2) 2020-2025
Priority Schemes in the South East of England

I am writing to you as Chair of Transport for the South East (TfSE), the Shadow Sub-National Transport Body (STB) for the South East, setting out our initial list of priority schemes for possible inclusion in the second Road Investment Strategy (RIS 2) covering the period 2020 to 2025.

Although TfSE is in the early stages of its development, we welcome the opportunity your Department provided for us to demonstrate how we work together to represent the wider interest of the South East. The request was also a clear recognition of the significant progress that has been made in establishing an STB in the South East and places us on an equal footing with the other STBs which are in the process of being established elsewhere in the country.

We have considered our priorities as those which benefit the wider South East. We initially considered twelve schemes and, mindful of the impact the Lower Thames Crossing will have on the surrounding network, we have extended this to sixteen. I enclose a table which sets out the list of priority schemes (in no particular priority order).

In addition to the sixteen schemes, two corridors have been identified for strategic studies for RIS 2. The Oxford to Cambridge Expressway is also identified as a nationally significant priority scheme. Although this scheme is outside the TfSE geography, it will provide a continuation of the A34 between the South East and the Midlands.

In submitting this list of schemes we have assumed that all the RIS 1 commitments are delivered. We also recognise that the priorities may change, either as a result of the ongoing RIS 2 consultation work or that of our own developing Transport Strategy.

We look forward to working with you.

Yours sincerely,

Chair of TfSE Shadow Partnership Board and Leader of East Sussex County Council

CC: Members of the TfSE Shadow Partnership Board - Steve Allen, Cllr. Paul Carter CBE, Geoff French CBE, Cllr. Louise Goldsmith, Cllr. David Hodge CBE, Cllr. Rob Humby, Cllr. Alan Jarrett, David Lees, Cllr. Warren Morgan, Cllr. Tony Page, Margaret Paren, Cllr. Jacqui Rayment, Cllr. Ian Ward.

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Priority Schemes in the South East for inclusion in RIS 2

Scheme	
Lower Thames Crossing including Option C Variant (M2 Junction 3 and M20 Junction 6 via A229)	
Lower Thames Crossing - wider network improvements	M2 Junction 7 Brenley Corner
	Dualling of the A2 from Lydden to Dover
A21	Kippings Cross to Lamberhurst – offline dual carriageway
	Flimwell and Hurst Green – Bypasses
A27/M27 South Coast Corridor	A27 Lewes to Polegate
	A27 Between B2123 Falmer Interchange and A293 Junctions
	A27 Worthing & Lancing
	A27 Chichester
	M27 Junction 12 to A27/A3(M) Junction – upgrade to motorway standard and smart motorways
	M27 J3 to M271/A35 Junction
Solent Metro – City to City – part of a phased investment to bring forward the Solent Metro to transform city to city connectivity which is primarily linked by the M27. This will be an off network investment to strengthen the rail based link in the West Phase 1 and 2 to include Eastleigh to Southampton Central and Southampton Central through to Fareham	
M23/A23 Corridor	Crawley to Burgess Hill
	Hooley Interchange
A3 Ripley to Guildford	
M25 South West Quadrant (J10-16) including new or improved link between M3 and M4 and offline improvements to A329/A322 corridor in Bracknell	

Strategic Corridors for investigation in RIS 2

Strategic Corridor
M23 Corridor (M23 and M25 Junction 6 to 8)
Upgrade A34 to motorway standard, including the southern section between Junction 13 of M4 and Junction 9 of the M3 and A34 safety improvements north of the A34/M4 junction at Chievely

Other nationally significant schemes for inclusion in RIS 2

Other nationally significant scheme
Oxford to Cambridge Expressway

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Annex 2 - Response to consultation questions

<u>Question 1</u>

Do you think Highways England's proposals will deliver what users of the SRN want? If not, what could be done differently?

It is clear from the Initial Report that Highways England have undertaken extensive research to understand their customers' requirements. Section 4.1 of the Initial Report sets out the research that has been undertaken, with a great deal of it having been conducted independently by Transport Focus. It is recognised that the needs of different user groups are varied and nine key user priorities have been identified and used to inform Highways England's views on their investment priorities. These are:

1. Enhanced safety
2. Improving journey times
3. Improved surface quality, signage and lighting
4. Better information
5. Improved roadside facilities
6. Better integration with other roads
7. Meeting the needs of bus and coach operators and their passengers
8. Improved provision for cyclists, pedestrians and equestrians
9. Future-proofing new investment

It is not clear from the Initial Report or from the Transport Focus background report, about the level of priority given to each of these areas either by different user groups (motorists, road hauliers, pedestrians, cyclist or bus users) or users making trips for different purposes (commuting, business, leisure). No information is given in the Initial Report about the user profile of the SRN across the network to enable an assessment to be made of the relative priority that should be afforded to each of the priority areas. This would seem a particularly important step to aid an understanding of how the proposals that have been developed by Highways England, and how the investment strategy that will be produced during the subsequent decision making, will meet the needs of users.

Section 5 of the Initial Report sets out Highways England's proposed investment priorities for RIS2, covering operational, infrastructure and enhancement priorities which are set out in Table 1 below.

Table 1. Highways England's operational, infrastructure and enhancement priorities for the 2020-25 period.

Operational priorities	Infrastructure priorities	Enhancement priorities
Customer service	Road surface	Completing RIS1 schemes
Better information	Structures	Strategic studies and other studies
Better roadworks	Drainage	RIS1 for RIS2 schemes
More reliable journeys	Geotechnical	Smart upgrades to the busiest motorways
Seamless journeys	Vehicle restraint systems	Developing expressways
Managing more smart motorways and expressways	Lighting	New schemes
	Road signs and markings	Tackling local priorities
Preparing for connected and driverless vehicles	Tunnels	Coordination with HS2 and Heathrow Airport expansion
	Soft estate	
Supporting electric vehicles	Traffic signals and roadside technology	A stable pipeline of improvements

Given the comprehensiveness of list of priority areas set out in the Table 1 it has to be the case that it will deliver what users want to some degree. However it is not possible to determine at this stage the extent to which any one of the priorities will be met as neither the relative importance of the priorities nor the weight that is going to be given to the operational, infrastructure and enhancement priorities has been identified at this stage in the process. It will not be until the investment strategy has been produced that this will be possible.

<u>Question 2</u>

Do you think Highways England's proposals will deliver what businesses want? If not, what could be done differently?

The work that Highways England commissioned looking at the views of their users did include some specific work with businesses. However, no analysis is presented in the Initial Report about their specific views and whether the priorities they identified are any different from the list for all users presented on Page 29 of the Initial Report and listed in the response to Question 1 above. In view of this, and for the reason already given in the response to Question 1, it is not possible to assess the extent to which Highways England Proposals will deliver what businesses want. The views of businesses are particularly important given that one of the key aims of the Transport Investment Strategy is to build a stronger economy and support the delivery of the priorities set out in the Industrial Strategy White Paper in relation to employment and productivity.

More specific information on what businesses want form RIS 2 was presented in the CBI/AECOM, report 'Thinking Globally, Delivering Locally: Infrastructure Survey'7 which was a surveyed of 728 businesses. In response to a question about what outcomes need to be secured in the longer term greater integration with alternative modes of transport (e.g. rail, ports, airports), investment in new road capacity and improvements to the motorway

[7] CBI/AECOM, Thinking Globally, Delivering Locally: Infrastructure Survey, November 2016

network all score particularly highly, although investment in maintenance and local road networks were also seen as critical or important by a majority of firms.

Clearly improved connections to ports and airports is something which businesses see as key outcomes of the next RIS 2 period and improved connectivity to international gateway ports and airports in the South East will needs to be a key component of this. More prominence should be given to this in planning for the future particularly given the need to strengthen international trade links following Brexit.

As set out in the Highways England's Roads to Growth document the SRN carries two thirds of all freight traffic in England Given this it is surprising that more attention has not given in the Initial Report to the specific needs of the road freight sector. A significant amount of the freight that passes through the key ports and airports in the South East is transported on to other parts of the UK. An understanding of the needs of the road freight sector is important to understand how the SRN can be improved to meet their needs in the South East and beyond to help create a more balanced economy.

<u>Question 3</u>

Do you think Highways England's proposals meet the needs of people affected by the presence of the SRN?
If not, what could be done differently?

The need to manage the impact of the SRN on surrounding communities is recognised at a number of points in the document. In particular, the noise, visual and air quality impacts have been actively considered in the Initial Report. However no mention is made of the severance impacts of the SRN which is an important consideration for those affected by the presence of the SRN.

The system of designated (ring fenced) funds outlined in section 5.4 of the Initial Report provides the mechanism for Highways England to meet the needs of those affected. The funds cover:

- Growth and housing
- Environment
- Cycling, safety and integration
- Innovation
- Air quality

Given the Government and TfSE's aim of supporting economic and housing growth the continuation of the growth and housing fund is particularly welcomed. Much of the SRN in the South East passes through environmentally designated landscape and the funds designated for environment will be particularly important to ensure that further work can be undertaken to mitigate the adverse impacts of the SRN.

The availability of designated funds to improve conditions for those using sustainable travel modes to help people make sustainable travel choices is strongly supported.

There is recognition that Highways England can improve the administration and delivery of these funds in the future including delivering through others. Liaison and consultation with those that are impacted by the presence of the SRN and who would be affected by enhancements schemes funded through designated funds is key to this. The introduction of measures off the SRN on the local road network will need to be considered and engagement and liaison with local highway authorities will be key to ensuring these are planned and delivered effectively. The development of expressways which would see non-motorised users displaced from the SRN will need to involve careful liaison with the communities affected where additional measures have to be provided on the local network to accommodate these user groups.

A stronger emphasis to commitment to community involvement in addition to the references to stakeholders as representatives of wider groupings is needed to ensure that any proposals meet the needs of those affected by the presence of the SRN.

Question 4

Do you agree with Highways England's proposals for:

Four categories of road and the development of Expressways (Initial Report sections 4.4.3 and 5.3.6)	The categorisation of roads identified by Highways England into four categories is supported, as it puts into practice the concept of a road hierarchy with different functionally being attached to different categories of road. The motorways at the top of the hierarchy are engineered for longer distance higher speed movement with all-purpose trunk roads having a more local access function with a lower volumes and a lower speed environment. The principle of upgrading some A-roads to expressways is welcomed as it will involve a whole route approach and move away from piecemeal improvements that fail to deliver significant and meaningful journey time benefits for longer distance users, which the SRN is aiming to cater for. The staged approach to the development of expressways set out in section 5.3.6 is supported as it will allow many of the benefits to be delivered sooner. Careful thought will need to be given as to how the roll out of the expressway concept across the country is prioritised. Whilst it is accepted that the indicative map on Page 56 of the Initial Report showing the network classification over the medium term does not constitute a plan, the general approach to the potential roll out of expressways on the A roads which form part of the SRN in the South East is supported. This would possibly see expressways introduced on the A34, A3, A23 and parts of the A27, A21, A2, A20 and A249 with ongoing investigations about the possible introduction of expressways on other parts of the SRN network. Consideration should also be given to introducing the Lower Thames Crossing Schemes as an expressway. The roll out of any future expressway programme would need to be the subject of further discussion as the expressway concept is refined and a firmer programme is developed. The transport strategy that is currently being prepared by TfSE will provide a key input into these discussions as it will identify priority corridors for further investment. Not all of the A roads will be upgraded to expressways and continued consideration will need to be given to those sections of road which will remain all-purpose trunk road category at the bottom of the hierarchy to ensure that they are brought up to a higher standard along their entire length. For example the A259 from Brenzett in Kent heading to Hastings in East Sussex is of markedly lower quality and consideration should be given to upgrading the route.
Operational priorities (Initial Report section 5.1)	As identified in the Initial Report, it is Highways England's operational activities that keep the SRN running. A number of operational priorities for investment in RIS 2 have been identified by Highways England, which are listed in Table 1 above. Highways England is lobbying the Government for increased funding for its operational activities given increasing levels of demand and additional expense associated with some operational activities, such as smart motorways.

	There are a number of aspects of the operational investment priorities which are particularly welcomed: o the updating of the investment decision methodology to expand on traditional economic analysis to properly capture scheme benefits which matter most to customers; o the commitment to a proactive dissemination of real time information through various channels to improve information flow to customers and the commitment to providing integrated travel information with public transport services allowing them to make more informed choices and enable the roll out of the mobility as a service concept. Better coordination and improved interfaces with local highways authority communication systems is required to improve information provision on and off the SRN network; o the commitments to improve SRN diversion routes through upgrades to their condition and signage; o the commitment to improve the coordination of traffic management activities with local highway authorities to improve traffic flow between the two networks; o supporting the roll out of connected and driverless and electric vehicles which provide the opportunity to enable more efficient use of the network and reduce harmful emissions.
Infrastructure priorities (Initial Report section 5.2)	The Initial Report lists out a comprehensive list of asset types and is seeking to adopt a planned approach to maintenance based on extending the life of assets or replacing those in need to maintain the performance of the network. The alternative reactive approach involving potentially expensive works to keep traffic moving is not being recommended by Highways England. The Initial Report makes the point that the funding for a planned approach has not always been available for a planned approach to be implemented and clearly Highways England is seeking the funding to move forward with a proactive planned approach. The Initial Report states in section 5.2 that Highways England have developed a number of investment options for a number of different asset types to inform the government's decision moving forward. However, the option appraisals are not set out in the report so it is not possible to assess the trade-off that is being put forward across the different asset types. Obviously with limited funds available difficult decisions will have to be made about the amount of funding that is to be spent either on operational improvements to maintain the network and enhancement schemes to improve network performance. The situation on the local road network is equally challenging with a significant maintenance backlog. Better coordination between Highways England and local highways on maintenance planning is required to reduce disruption and improve outcomes The sense from the Initial Report is that Highways England considers that operational priorities should be given more weight than enhancements. However, the enhancements will be necessary

	to meet the requirements of the Department for Transport and other stakeholders, such as the Sub National Bodies, whose priorities are more focussed on improving economic connectivity which enhancement schemes will deliver.	
Enhancement priorities (Initial Report section 5.3)	***Completing RIS1 schemes***	The list of priority schemes for potential inclusion in RIS 2 submitted by TfSE to the DfT in 2017 was based on the assumption that all of the schemes included in RIS 1 would be completed. The Initial Report restates Highways England's commitment to achieving this although a small number of schemes are in the process of being re-evaluated. As set out in the Initial Report many of the schemes included in RIS 1 will not be constructed until the early years of RIS 2. Section 5.3.1 includes the following statement: "*Based on our forecasts completing these [RIS 1] schemes will take up a significant proportion of any funding available in the early years of RP2*"[8] This will obviously have an impact on the level of funding available for 'new starts' in RIS 2. The full implications of the statement above will only become clear once the Government produces its RIS 2 document.
	Strategic studies and other studies	The Strategic Studies have provided a suitable vehicle for identifying long term solutions to significant and complex challenges on the SRN including the M25 South West Quadrant. TfSE supports Highways England's advice that these studies should continue to inform a long term programme of delivery over successive roads periods and we are anxious to see the outcomes of the next stage of the work on the M25 South West Quadrant Study.
	RIS1 for RIS2 schemes	Section 5.3.4 of the Initial Report Sets out a list of 15 schemes for which design solutions have been identified so that they could be ready to enter the planning process and construction in RIS 2 if an appropriate solution can be identified which offers good value for money. The schemes inside and adjacent to the TfSE area that fall into this category are the Lower Thames Crossing and A3 at Guildford. Work will only continue on the design of these schemes if they continue to demonstrate value for money, deliverability and affordability. TfSE supports this approach as it means that the merits of these schemes can be set against those which have been identified for potential inclusion in RIS 2 as 'new starts'.

[8] Highways England Strategic Road Network Initial Report. P 72

	Smart upgrades to the busiest motorways	We agree that smart motorways have a role to play in adding capacity and supporting economic connectivity. In many locations they represent the last chance to squeeze additional capacity out of the existing carriageways. However, it is also important to keep looking to the future to ensure that the need for additional schemes either on or off the network are identified through strategic studies particularly where it is clear that additional capacity is required. The M25 South West Quadrant Strategic Study provides an example of this with the recognition that interventions off the SRN will be required involving improvements to encourage greater use of sustainable forms of transport. There are other emerging technologies such as connected and autonomous vehicles that could improve the capacity of the network. Highways England's Smart Motorway Approach will need to develop to embrace these emerging technologies.
	Developing expressways	As set out in answer to question 4, TfSE supports the continued roll out of expressways and the staged approach to their development set out in section 5.3.6 of the Initial Report.
	New schemes	TfSE fully supports the development of improvement schemes on the network and has already submitted a list of priority schemes for potential inclusion in RIS 2. These schemes will be critical to ensure that connectivity to the international gateways in the South East can be improved and enhance the delivery of new homes and jobs in the South East to increase its contribution to the Exchequer.
	Tackling local priorities	TfSE supports the continued use of the designated (ring fenced) funds to support the delivery of local priorities on growth and housing, environment, cycling, safety and integration, innovation and air quality.
	Coordination with HS2 and Heathrow Airport expansion	Highways England must continue to work to ensure that the impact of the possible expansion of Heathrow and HS2 on the SRN is minimised if and when both of these take place and that any increase in future demand arising from these proposals is taken into account.

	A stable pipeline of improvements	It is vital the Highways England develops a stable programme of work to ensure it is able to maximise the efficiency and effectiveness of its overall business. It is clear that a number of lessons have been leaned from RIS 1 that will to be put into practice in RIS 2 to ensure a stable programme is in place.
A local priorities fund (Initial Report section 5.3.8)	A set out above, TfSE supports the continued use of the designated funds to support the delivery of local priorities on growth and housing, environment, cycling, safety and integration, innovation and air quality.	
Future studies (Initial Report section 5.3.11)	The programme of future studies to support the development of a wider range of solutions across the network including free flow junctions, last mile improvements, and multimodal integration hubs is supported as these will help identify location specific improvements that will improve the economic connectivity of the SRN network. For those RIS 1 schemes which are still in development consideration need to be given where possible to potential enhancements to reflect the emerging thinking from these future studies such as the introduction of free flow junctions and last mile improvements.	
Designated funds (Initial Report section 5.4)	A set out in answer to a previous question, TfSE supports the continued use of the designated funds to support the delivery of local priorities on growth and housing, environment, cycling, safety and integration, innovation and air quality. The proposal for roadside facilities being included in a designated fund is welcomed and would help the private sector and Local Authorities provide good facilities for drivers and thereby remove the many problems associated with inappropriate overnight lorry parking – including noise, anti-social behaviour, littering, road safety problems, damage to verges and kerbs.	
Performance measures and targets (Initial Report section 6.3)	The development of the Performance Framework that Highways England operates in line with the recommendations from the recent review by the Office of Road and Rail (ORR) is supported leading to a two part assessment with the first part dealing with performance measures that will be of interest to users and stakeholders and the second part which deals with the performance of HE as an organisation. Given that supporting economic and housing growth are two of the four goals of the Government's Transport Investment strategy and the key role of the SRN in delivering these, consideration needs to be given to including performance measures on these two aspects.	

Question 5

Are there any other proposals in the Initial Report that you do not agree with? If so, which ones and what could be done differently?

There are no other proposals in the Initial report that TfSE disagrees with.

Question 6

Do you agree with Highways England's assessment of the future needs of the SRN (Initial Report section 4.4)?

It is clear from the Initial Report that Highways England have undertaken a thorough assessment of the future may look like and which tries to take account of the social and technological changes that are likely to affect travel in the future. These findings are presented in a supplementary report 'Connecting the Country - Planning for the longer Term'. This work has included the use of scenario planning to look at different future worlds and examine the impact these different futures would have on the SRN.

In the Initial Report no specific mention is made in the section on future trends (section 4.4.1.) about housing and employment growth given that report recognise that this is something that government has said it is alert to and something to which the SRN will have to respond.

In the face of the uncertainty about the future the approach that HE is adopting (like many other organisations) is more of a 'wait-and-see' approach, opting to watch emerging trends and develop responses as needed. However, given the importance of the SRN network to the country's mobility, HE should adopt a more proactive approach to influence what that future looks like and realise the benefits to their operations that future technological change could bring about. The DfT as the HE's main shareholder will have a key role in bringing this about.

Question 7
How far does the Initial Report meet the Government's aims for RIS2 (economy, network capability, safety, integration and environment – described in paragraph 2.3)?
Which aims could Highways England do more to meet and how?

There is no specific reference to the need to support the creation of housing in the Government's RIS 2 priorities despite this being one of the four stated goals of the Transport Investment Strategy and is a key element of the Industrial Strategy White Paper. The provision of additional housing is necessary to facilitate additional economic growth in the South East, which is essential if the Government is to meet its national growth aspirations. The identification of strategic transport interventions that could facilitate housing growth is a key priority for TfSE. The current system of designated (ring fenced) funds which HE recommends should be continued in RIS 2 includes a growth and housing category. The Department for Transport has allocated £900 million of funds to Highways England over the 6 year spending period covering 2015 to 2021. Of this £100 million is allocated to Growth and housing. Careful consideration needs to be given as to whether the amount of funding allocated to this area should be substantially increased in RIS 2.

The Initial Report outlines how the Government's aims for RIS2 will be met in the period 2020-2025. However, more could be done to demonstrate how the operational, infrastructure and enhancement priorities (summarised in Table 1 above) are linked to the Government priorities for RIS 2.

As network operator Highways England places great emphasis on the need for it to meet its operational and infrastructure priorities in the future and sees the need for increasing emphasis on these two priorities particularly as additional cost pressures emerge. Arguably, it is the enhancement priorities set out in Table 1 above which will contribute more towards the Government's stated aims. The Department for Transport will need to ensure that it achieves an effective balance between these three priority areas when establishing the allocation of funding as during the decision making phase of the RIS 2 process.

Question 8

Do you think there should be any change in the roads included in the SRN (described in paragraph 1.3)?
If so, which roads would you propose are added to or removed from the SRN, and why?

Kent County Council is asking for the A249 Detling Hill (M2 Junction 5 to M20 Junction 7), A229 Blue Bell Hill (M2 Junction 3 to M20 Junction 6), and A299 (M2 Junction 7 to Port of Ramsgate) to be added to the SRN as key strategic links between the two motorway corridors in Kent, connecting major population centres and links to the port

Question 9

Is there anything else we need to consider when making decisions about investment in the SRN?

If so, what other factors do you want considered? Please provide links to any published information that you consider relevant.

Highways England has commissioned a number of surveys of its users to better understand there needs and the results of these are set out in the Initial Report. Given the importance of the need to ensure that forthcoming investment programme delivers increased economic output and improved productivity of the SRN to the economy and greater engagement with business representatives and freight operators to understand the problems they have with SRN network, what their priorities for improvement would be and the relative importance they attach to each of these.

Careful consideration needs to be given to the potential implications of Brexit both in terms of the need for enhanced connectivity to the international gateway ports and airports to facilitate increased trade. Account possible changes to the customs arrangements following Brexit and knock on impacts for roll on roll off ports such as Dover where congestion problems have been encountered before leading to the initiation of Operation Stack on the M20 which is extremely disruptive and expensive. A permanent solution to this problem which will remain an issue regardless of Brexit must be identified.

Question 10

Does the analytical approach taken have the right balance between ambition, robustness, and proportionality?
If not, what do you suggest we do differently?

The analytical approach takes the right balance between ambition, robustness and proportionality. However, the approach must ensure that it takes into account future housing growth and traffic demand, and that modelling takes into account additional traffic flow from other SRN schemes.

GREATER BRIGHTON ECONOMIC BOARD	Agenda Item 37

Subject:		**Greater Brighton Investment Programme – Progress Update**	
Date of Meeting:		**17 April 2018**	
Report of:		**Chair, Greater Brighton Officer Programme Board**	
Contact Officer:	**Name:**	**Nick Hibberd**	**Tel: 01273 293756**
	Email:	**Nick.Hibberd@brighton-hove.gov.uk**	
LA(s) affected:		**All**	

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

1.1 The purpose of the Investment Plan Update is to provide the Greater Brighton Economic Board ("the Board") with an update on progress on the Greater Brighton Investment Programme ("the Investment Programme") since the Board's last meeting on 6 February 2018.

1.2 Updates are included on the Local Growth Fund (LGF) allocations made as part of the Growth Deal Round 3, and the progress of projects awarded unallocated monies from Growth Deal Rounds 1 & 2. The period covered by this report is 26 January 2018 to 4 April 2018.

1.3 At the 18 July 2017 meeting of the Greater Brighton Economic Board, Board members requested that future investment programme update reports provide more details on delivery timescales and schedules, including the consideration of 'traffic light' ratings for projects to improve oversight.

1.4 The Greater Brighton Economic Board Support Team has been working with the Officer Programme Board to explore new ways of presenting the project updates and key project-related data. The challenge is to find a method of reporting that is appropriate for the Board's role, whilst avoiding reporting duplication as officers are required to ensure that they also report progress to the funding bodies and accountable bodies of each individual project. This work is ongoing and two example of ways of presenting the information will be tabled at the meeting for review and feedback.

2. RECOMMENDATIONS:

2.1 That the Board note the contents of the Investment Programme Update.

3. CONTEXT/BACKGROUND INFORMATION

LGF Growth Deal Rounds 1 & 2

3.1 A total of approximately £90m was allocated to projects across the City Region from LGF Growth Deal rounds 1 & 2. These projects will deliver a total investment of approximately £376m into the City Region, unlocking an estimated 14,000 jobs, 8,200 homes and 450,000sqm of employment floor-space. Current active projects are listed below with a summary of progress since the last update.

3.1.1 *Flood Alleviation Scheme (Newhaven) £7.5m*

Work continues on the east bank defences. A large earth embankment east of the rail line north of Newhaven has been completed. Work is about to start on an embankment west of the rail line. Rail surveys are underway to inform detailed design of the rail flood gate between these embankments. A large volume of waste and contaminated spoil has had to be moved from sites on North Quay, to allow the flood wall to be built safely. This has added significantly to costs. A large amount of asbestos-containing material has been found south of the UTC and this has to be removed prior to building a concrete flood wall. Negotiations are still underway with Newhaven Port and Properties and with Network Rail to allow remaining sections of the flood defence to be built.

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

Tenders for the second phase of the Port Access Road (from Pargut roundabout and over Mill Creek) were received back on 20 Dec 2017 and following appointment of a preferred contractor, a package of value engineering suggestions were explored to give a more cost effective design. A full draft of the business case has been submitted to DfT for comment. Following a number of useful meetings with DfT it is agreed that the business case focuses on the economic and regeneration benefits delivered by the scheme. Assuming a favourable funding decision, main construction is anticipated to start in early summer 2018. Construction is then expected to take 19 months to complete. In preparation for main construction, advance vegetation clearance works have been completed and will be followed shortly by the construction of a new badger sett, and the translocation of newts.

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

Brighton and Hove City Council, as freeholder, is working towards a potential land deal on adjacent Longley Industrial Estate, with the aim of securing a private sector mixed use redevelopment on Longley. This would include a significant element of new employment floor-space (that would count towards City Deal output) and a premium towards securing the remainder of the City floor-space output on the New England House site, along with the building's refurbishment.

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

Digital Catapult Centre Brighton (DCCB) has extended its support for the immersive technologies sector locally, adding new equipment, capability and capacity to the Lab, launching a residency programme for 20 VR/AR start-ups, delivering workshops on content creation (partnering with U of B and with Unity), and running events on the use of immersive tech and the built environment, the music industry, and the charity / non-profit sector. The 5G testbed has delivered 4 workshops for businesses, undertaken 12 x 1-2-1 engagements with SMEs and developed a series of Testbed Use-Cases with the Digital Catapult London. DCCB has continued the project on emerging tech and the retail sector, working with Hannington Lane to enable SMEs to develop and test new technologies in Brighton's newest lane.

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

Construction work progressing well and ahead of schedule. On the 18 April a double ceremony will be held on site by the developer to celebrate two major milestones of the project; the topping out of the student accommodation blocks and ground breaking in respect of The Dance Space.

3.1.6 *Preston Barracks Central Research Laboratory (Brighton) - £7.7m*

Full vacant possession of the barracks site was achieved on 10th January, and there has been significant progress with site preparation and demolition works, with two of the four buildings already demolished and the remaining two to come down in the coming month. A key stage was reached on 23rd February 2018, when the legal agreement went unconditional, achievement of which allows the project to move forward to construction stage, where the CRL is part of Phase 1 works due to commence at the end of June 2018.

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

The team have been working on the development of the contract data for the procurement of the main Construction Contract. This package is almost complete and will be submitted via the in-tend portal this month. This contract will enable the construction of the majority of the Valley Gardens items except where BHCC existing contracts exist. Procurement though the Hampshire Gen-3 Framework gives access to a number of providers, and he preferred contractor will be notified in June subject to assessments and return contract prices. The team welcomed the LEP on the 15th March for a presentation and site visit.

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

Negotiations continue with the Yacht Club to complete the land deal following agreement on Heads of Terms. Planning applications are to be submitted in the summer for the replacement Yacht Club and the proposed flood defences along the A259. A detailed business case is being prepared by Consultants to provide the additional funding from the Environment Agency.

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

See 3.24 below

LGF Growth Deal Round 3

3.2 In February 2017 Coast to Capital announced that it has secured £66m through Round 3 of the Growth Deal. All six projects put forward by the Board were allocated funding - totalling £48.77m. The project updates are as follows:

3.2.1 *Worthing Central Phase 1 (Worthing) - £5.6m*

Worthing Borough Council commissioned works to carry out early demolition of all buildings on the Teville Gate site have started and will complete by autumn 2018. Planning Permission has been granted for a temporary car park to be installed in the event that the redevelopment by Mosaic does not come forward on completion of the demolition.

The Union Place site has been acquired by Worthing Borough Council using the Worthing Central LGF grant allocation. Plans for redevelopment are being worked up.

3.2.2 *Decoy Farm (Worthing) - £4.8m*

Consultants have been appointed to produce a master plan for a viable scheme at Decoy Farm.

3.2.3 *New Monks Farm & Airport (Shoreham-By-Sea) - £5.7m*

Planning application submitted for development (600 hundred dwellings, Ikea and new roundabout onto the A27). Negotiations continue to address objections to the scheme. The scheme is likely to go to Committee in the summer.

3.2.4 *Growth Location (Burgess Hill) - £14.9m*

The Secretary of State for Business, Energy and Industrial Strategy (BEIS), Rt Hon Greg Clark MP visited Mid Sussex on 29 March to discuss the Science and Technology Park. The park is being actively promoted and the proposal is actively supported by the Department for International Trade (DIT). It is the only site in the South East being actively promoted by DIT at the recent MIPIM.

Work to agree the spatial development framework (or masterplan) for the whole Northern Arc is progressing with timetables to be agreed.

A report setting out the five options for possible sustainable transport initiatives has been discussed by Members at the Burgess Hill Development Board Members Group and Members confirmed their support for these. WSP will now be able to finalise their report.

Homes England has now agreed to forward fund the site remediation works at Fairbridge Way, which removes a key barrier to further progress in developing the site.

Mid Sussex District Council has successfully secured up to £2.2 million from the Government’s Local Full Fibre Network (LFFN) fund. This will support the implementation of the new digital infrastructure for Burgess Hill. The Council is piloting a unique approach to gigabit connectivity. The project will enable dark fibre to be laid throughout the town. Access to the fibre will be controlled by a trust or community interest group (CIC) to ensure access costs are reasonable. This has enormous economic benefits for business of all sizes. Evidence from other countries suggests uplift in GVA of 2 per cent per year is possible for areas with gigabit connectivity.

At The Hub (15 hectares permitted employment space south of the A2300) work is expected to start on site in spring 2018 as planned.

3.2.5 *Sussex Bio-Innovation Centre (Brighton) – £5.5m*

The University took a decision to stop the current New Life Sciences build project, and not pursue the design which provided accommodation and facilities for all practical teaching and research activities undertaken by the School of Life Sciences along with a Bio Innovation Centre. The revised project will look to design and build a research only facility for the School of Life Sciences but also incorporating a Bio innovation Centre. The University is currently engaging with the design team and preferred contractor to determine how to take forward the revised project. The University has also engaged with external procurement legal advisors in order to ensure there are no transgressions of any procurement rules/regulations linked to the OJEU process, and avoid potential challenges should they proceed with the preferred contractor.

3.2.6 *Black Rock Development (Brighton) - £12.1m*

BHCC are finalising details of a legal agreement which will deliver a major new conferencing and events venue for Brighton & Hove on the Black Rock site next to the Marina and an expansion of Churchill Square shopping centre. Key commercial terms within the Conditional Land Acquisition Agreement (CLAA) have now been agreed and residual items are being concluded. A funding agreement has now been signed with the Coast to Capital LEP, unlocking the £12.1m of LGF funding to enable the project.

LGF Growth Deal Unallocated Funds Rounds 1 & 2 – December 2016 Call

3.3 In December 2016 Coast to Capital announced that it had approximately £46.65m of unallocated funds available to support capital growth projects. The Greater Brighton Board put forward eight bids, five of which received funding totalling approximately £9.9m. The project updates are as follows:

3.3.1 *Adur Civic Centre (Shoreham-By-Sea) - £1.8m*

The former Civic Centre building on the south site has been demolished and work has started on the new office block on the north site. Adur District Council Members have approved the marketing of the south site to commence in 2018.

3.3.2 *Springman House (Lewes) – £2.0m*

The Council completed the purchase of Springman House from the vendors in March 2017. In June 2017 the Council's Cabinet authorised the design and construction of the new blue light facility. In January 2018, architects were appointed to commence work on master planning and design options. The architects have undertaken detailed consultation with the blue light end users in order to establish their operational requirements. Work on the site masterplan and building layout options is currently underway.

3.3.3 *Railway Quay (Newhaven) - £1.5m*

Flood defence works on site now completed and negotiations underway with existing tenant re: relocation. Initial masterplan being prepared ahead of target submission for planning during 2018.

3.3.4 *Eastside South (Newhaven) - £1.6m*

Planning for Phase 2 of the Eastside South development was approved in December 2017. Work on Phase 1 has been completed, with new occupiers finalising the fit-outs of their respective premises. Work on Phase 2 is expected to start on 3 April 2018.

3.3.5 *Heritage Centre Stage – Corn Exchange & Studio Theatre (Brighton) - £3.0m*

Since the last update work has continued on site, including blockwork and drainage in new Corn Exchange and Studio and theatre basement, repair and redecoration of external facades and erection of steel frame in the Gallery area.

The Contract Administrator is considering extension of time claims from the contractor, which could potentially result in a revised completion date.

LGF Growth Deal Unallocated Funds Rounds 1 & 2 – July 2017 Call

3.4 In July 2017 Coast to Capital launched a new funding round for unallocated funds from rounds 1 & 2. In December 2017, Coast to Capital announced that a total of £27 million had been allocated in the areas of Housing, Regeneration & Infrastructure; Business, Enterprise & Skills; and Transport. Around £12m of the total will be supporting projects from across Greater Brighton:

- **Crawley College STEM & Digital Centre (Crawley, £5.0m)** to develop a new Science Technology and Maths and Digital Skills centre in Crawley, to create a state of the art learning environment

- **Pelham Campus Redevelopment (Brighton, £5.0m)** to construct a new Centre for Creative and Digital Industries, together with part refurbishment of the Pelham Tower

- **Ricardo Hybrid Powertrain (Shoreham-by-Sea, £1.5m)** to deliver a state of the art four-wheel drive hybrid powertrain rig to enable the research and development of the next generation of electrified powertrain systems and vehicles

- **Charleston Trust Centenary Project (Lewes, £0.4m)** to preserve Charleston's heritage, enhance the Trust's economic and cultural role and expand the site to achieve a sustainable financial future

- **Sussex Innovation Centre (Falmer & Croydon, £0.14m)** to create more space and enable additional support through redesign of the large reception area at Sussex Innovation centre Falmer and to create a co-working space and meeting area, with Business hub space, within the Number One Croydon building.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 None required.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 None required.

6. CONCLUSION

6.1 The Board is asked to note the contents of this report.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 There are no direct financial implications associated with this report regarding the progress made in the fourth quarter of this financial year on approved schemes within the Greater Brighton Investment Programme. Schemes already included within the Greater Brighton Investment Programme have approved business cases in place with funding options identified and these have been reported to their respective bodies. The progress of each scheme is detailed within the Investment plan Update Report in appendix 1. Future or revised business plans will be reported accordingly within the timescales of the project timetables.

Finance Officer Consulted: Rob Allen, Principal Accountant Date: 16/03/18

Legal Implications:

7.2 There are no legal implications arising directly out of this report.

Lawyer Consulted: Alice Rowland, Head of Commercial Law Date: 28/03/18

Equalities Implications:

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

Sustainability Implications:

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

Any Other Significant Implications:

7.5 None.

SUPPORTING DOCUMENTATION

Appendices:
None

Background Documents:
None