

Subject:	Arun District Council – Invitation to join the Greater Brighton Economic Board		
Date of Meeting:	26 March 2019		
Report of:	Chair, Greater Brighton Officer Programme Board		
Contact Officer:	Name:	Nick Hibberd	Tel: 01273 293020
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Ward(s) affected:	All		

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

- 1.1 The Greater Brighton Economic Board (“the Board”) was established in 2014 as part of the Greater Brighton City Region Deal with Government.
- 1.2 The Board comprises the Greater Brighton Economic Joint Committee (“GBEJC”), on which the local authorities are represented; and the Greater Brighton Business Partnership (“GBBP”), on which the Coast to Capital Local Enterprise Partnership, business, university and further education sectors, and South Downs National Park Authority are represented. Meetings of the Board compromise concurrent meetings of GBEJC and GBBP.

2. RECOMMENDATIONS:

- 2.1 That the Board agrees to formally invite Arun District Council to become a constituent member of the Board, joining the GBEJC subject to both their agreement and formal ratification from the Board’s member organisations.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The functions of the Board 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 streams 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.

3.2 The following bodies were original members of the Board:

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

The GBEJC comprised the bodies specified in paragraphs 1.3(i) to (v); and GBBP comprised the bodies specified in paragraphs 1.3(vi) to (xiii).

3.3 Board membership has been extended once since the Board's inception; in February 2018 Crawley Borough Council and Gatwick Airport joined the GBEJC and GBBP respectively.

3.4 Arun District Council attended as observers to the Board meeting on 16 October 2018, and on 29 October 2018 wrote a letter to the Chair formally requesting to join the Board.

3.5 Working in partnership, the Greater Brighton City Region has brought significant benefits to the partner Local Authorities and agencies. Together the partnership has secured around £160m of Growth Deal funding held by the Coast to Capital Local Enterprise Partnership.

3.6 The Board's success and growing reputation has gained interest across the region, and Crawley Borough Council and Gatwick Airport Ltd joined the partnership in February 2018. At the start of 2019 a set of Five Year Strategic Priorities was agreed by the Board. As part of developing the priorities, consideration was given to what the future membership of the Board would look like, and how it might evolve over the next five years. It was agreed that the Board should adopt a fair and consistent approach to organisations that express an interest in joining, and for proposed new members consideration would need to be given to the following five questions;

- i. Does the organisation buy into the Board's agreed vision and priorities?

- ii. Do they share economic characteristics and represent the Greater Brighton functional economic area?
 - iii. Do they add capacity to help the Board deliver on its agreed vision and priorities?
 - iv. Will they add to the Board's reputation, in terms of legitimacy, standing and reach?
 - v. Are they going to actively participate and commit resource to supporting the Board and deliver the work programme?
- 3.7 The Board is asked to extend its geographical remit and membership; formally inviting Arun District Council to become a constituent member of the Joint Committee. This is subject to the approval of Arun District Council. It would also trigger a variance in the Board's Heads of Terms that will require the formal ratification of all Joint Committee members.

3.8 Some points for consideration are summarised below;

Functional Economic Area

- 3.8.1 Recent work undertaken by the West Sussex and Greater Brighton Strategic Planning Board has recognised that Arun lies within both the Housing Market area and Functional Economic Market Area of that part of the coast including all or parts of Adur, Worthing, Brighton & Hove, Lewes and Mid Sussex.
- 3.8.2 Arun is a net exporter of workers to the City Region, as well as forming part of its housing market. Based on 2011 Census data, Arun provides jobs for around 4,500 Greater Brighton residents, whilst 9,000 of Arun's residents were employed across the City Region. Aligning strategy and investment activity would add value.
- 3.8.3 Arun can add much to the critical mass and economic diversity of the Greater Brighton City Region economy. Arun's economy supports around 55,000 jobs, and the addition of Arun to Greater Brighton would take the City Region's job base (currently circa 475,000) to over half a million, which would be a significant milestone. The current Gross Value Added (GVA) of Greater Brighton is around £23.1bn. Arun's economy currently generates around £2.3bn GVA, which would represent a 10% uplift to the current Greater Brighton Economy.
- 3.8.4 In terms of job growth, estimates from Experian indicate that Greater Brighton could grow by around 73,000 jobs over the next 20 years, with growth in Arun being around 5,300 new jobs over the same time period. If included in Greater Brighton, the projected job growth in Arun would provide an uplift of around 7% to the City Region total.
- 3.8.5 Arun has a broad-based economy including representation in a number of high-value sectors including knowledge-based manufacturing and advanced engineering activities. The greatest uplift to Greater Brighton's current GVA would be seen in the agriculture, construction, accommodation and food services and wholesale and retail sectors.
- 3.8.6 This reflects that Arun has local sector concentrations in construction, wholesale and retail, accommodation and food services, real estate, public administration

and defence, human health and social work and arts, entertainment and recreation. The key sector strength in Arun is accommodation and food service activities, in particular restaurants and mobile food service activities, and holiday and short stay accommodation.

- 3.8.7 In addition, Arun has a distinct local concentration of knowledge-based manufacturing and engineering activities. Supporting growth in specialised and highly-productive industries is a key objective of the Government's Industrial Strategy. There are a number of advanced engineering/manufacturing firms within Arun, hence Arun's businesses could be well placed to respond.

Housing Delivery

- 3.8.8 Arun provides a source of relatively affordable housing that contributes to the functioning of the Greater Brighton economy. ONS statistics show that in 2016 around 1,900 people moved out of Greater Brighton and into the Arun region, specifically from Worthing and Brighton & Hove. The District has significant potential to increase future capacity for housing and employment space in Greater Brighton. Current Local Plans for the six Greater Brighton local authorities give a combined figure of around 49,000 new homes to be built up to 2032. Arun's Local Plan, which was adopted in June 2018, makes provision to deliver 20,000 dwellings over the period. This would increase the City Region's housing delivery by 40%.
- 3.8.9 The Arun Local Plan proposes a wide range of housing allocations including several large-scale strategic sites which will provide sustained high levels of deliver over the medium and long term. When considered in the context of the housing trajectories published by the Greater Brighton local authorities to 2026, this indicates that Arun could be contributing about 32% of housing delivery in the City Region by 2022/23.

Employment Land Supply

- 3.8.10 In addition to housing, the Arun Local Plan makes provision for significant capacity for additional employment floor space, which could supplement the City Region's constrained supply. The Local Plan provides allocations for around 292,000m² of floor space capacity. The most significant allocation is Enterprise Bognor Regis and this space has started to come forward for development. These allocations would be the largest in Greater Brighton, with the next highest being the proposed 200,000m² of commercial space across strategic employment sites in Burgess Hill.
- 3.8.11 Commercial property market intelligence indicates that businesses from Greater Brighton, particularly along the coast, seeking new accommodation for expansion or upgrading would be likely to consider Arun if there was a lack of suitable floor-space in their districts, particularly as regards larger space requirements. This has recently been demonstrated by the Rolls Royce expansion in Bognor Regis, away from the company's Goodwood base at Chichester.
- 3.8.12 Arun is likely to play an increasingly important role in accommodating some of the commercial property needs of Greater Brighton and the A27 corridor in particular. This might apply both to occupiers relocating from more constrained

locations, but importantly being retained within the City Region, or working to a “hub and spoke” model whereby they structure their operations and supply chains across a range of locations.

Skills

3.8.13 Chichester University (Bognor Regis Campus) has invested over £50m with direct assistance from the Council for the new Learning and Resource Centre and the new Tech Park at the Bognor Regis Campus. The Learning Resource Centre will promote STEM courses and bring 1,500 new students to the town. The council has also developed Enterprise@Bognor Regis with a Local Development Order which has unlocked sites for development, resulting in attracting Rolls Royce to create a new logistics and finishing site.

Infrastructure and Other Priorities

3.8.14 The ambition and vision for housing outlined in 3.8.8-3.8.9 require significant infrastructure support. Arun’s Infrastructure Delivery Plan sets out the requirements, which include the development of a new secondary school and nine primary schools on top of current educational expansion. The A27, A259 east-west corridor and north-south A23 corridor are both key priorities for Arun.

3.8.15 Arun can actively contribute to the Board’s future work plan, particularly on housing, economic growth, strategic planning and adding new projects to the pipeline for future funding bids to Government and others.

3.8.16 Arun’s membership would give additional capacity and capability to deliver sub-regional spatial priorities in a coordinated way, building on existing mechanisms such as the West Sussex and Greater Brighton Strategic Planning Board.

4 ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 The alternative would be for the membership to remain as it is currently, but for the reasons outlined in 3.8.1-3.8.16, the recommendation is that Arun District Council should be formally invited to join the Board

5 COMMUNITY ENGAGEMENT & CONSULTATION

5.1 The governance committees of constituent Board members will be consulted as part of the changes to Heads of Terms.

6 CONCLUSION

6.1 Arun exhibits strong economic and functional relationships with Greater Brighton and provides a complementary offer. Extending membership of the Board to Arun would give scope to further exploit the synergies between the local economies through coordinated investment and strategy, to the benefit of both Arun and Greater Brighton more widely.

6.2 The Board is asked to note the benefits of Arun District Council joining the Board and accordingly approve the extension in membership; formally inviting Arun

District Council to become a constituent member of the Joint Committee. This is subject to the approval of Arun District Council. It would also trigger a variance in the Board's Heads of Terms that will require the formal ratification of all Joint Committee members.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 Constituent members make annual contributions toward the operational costs of the GBEB. These operational costs include running costs such as employees, legal, finance, administrative and democratic services support. The contribution also supports specific work plans which are reported to this board throughout the year. The member's contributions are based upon the organisation's percentage of working population. Contributions will be sought from Arun District Council for the financial years following ratification in accordance with the methodology used to calculate the contributions from current members.

Finance Officer Consulted: Rob Allen, Principal Accountant
Date: 12/03/19

Legal Implications:

- 7.2 The GBEJC is a joint committee established pursuant to section 102 of the Local Government Act 1972. The Local Government Act 1972 and The Local Authorities (Arrangement for the Discharge of Functions (England) Regulations 2012 requires the constituent authorities of a joint committee to decide the membership of that committee. The constituent authorities can make the decision that Arun District Council can become a constituent member of the Board.

Lawyer Consulted: Joanne Dougnaglo Senior Property Lawyer
Date: 11/03/19

Equalities Implications:

- 7.3 The Economic benefits of Arun District Council joining the Board are set out in section 3 of this report and include opportunities relating to housing, employment space, skills and strategic planning all of which contribute to economic growth for the city region and greater opportunities for its residents.

Sustainability Implications

- 7.4 Arun exhibits strong economic and functional relationships with Greater Brighton and provides a complementary offer. Extending membership of the Board will provide a stronger, collective voice to support the resilience of the local economies to the benefit of both Arun and Greater Brighton more widely.

SUPPORTING DOCUMENTATION

Appendices:

None