

Subject:	Greater Brighton Investment Programme – Progress Update		
Date of Meeting:	14th April 2020		
Report of:	Chair, Greater Brighton Officer Programme Board		
Contact Officer:	Name:	Andrew Hill	Tel: 01273 291873
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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 21 April 2020.
- 1.2 Updates are included on the Local Growth Fund (LGF) allocations made as part of the Growth Deal Rounds 1, 2 and 3. The period covered by this report is 1 April 2020 to 30 June 2020.
- 1.3 This cover report provides some context on the LGF Funding Rounds and narrative updates on the Investment Programme projects. Further details on the individual projects can be found in the Investment Programme Update report at Appendix 1.

2. RECOMMENDATIONS:

- 2.1 That the Board note the report and the Investment Programme Update at Appendix 1.

3. CONTEXT/BACKGROUND INFORMATION**LGF Growth Deal Rounds 1 & 2**

- 3.1 A total of approximately £90m was allocated to projects across the City Region from LGF Growth Deal rounds 1 & 2. These projects will deliver a total investment of approximately £376m into the City Region, unlocking an estimated 14,000 jobs, 8,200 homes and 450,000m² of employment floor-space. Current active projects are listed below with a summary of progress since the last update.
 - 3.1.1 **Flood Alleviation Scheme (Newhaven) £7.5m**

The period January to June 2019 saw completion of all fixed flood defences under Newhaven FAS. The final element of the fixed defences, completed in mid-April, was a revised flood wall alignment in the Newhaven Port area of the

scheme. This alignment was revised in part to (successfully) address significant expected cost overruns had the original alignment been followed and also responded to uncertainty about future land use in Newhaven Port. The revised alignment also provided the opportunity to trial the use of low-carbon ('Cemfree') cement with 88% less embodied carbon than traditional cement.

The demountable flood barrier over the A26 has now been successfully completed. Substantial progress on the rail flood barrier together with Network Rail has been made, with 90% of all works now completed. Works on this aspect of the scheme are anticipated to commence in June 2020, subject to final legal agreements.

3.1.2 Port Access Road (Newhaven) £10.0m

Construction commenced early January 2019, with works now well underway. BAM Nuttall has been appointed as contractor. Construction is expected to take 19 months to complete. A Local Liaison Committee has been established to help address community concerns and meets regularly. The focus for works has now progressed past the abutment walls to the piling required for the bridge foundations. Some beams have now been delivered, with the remainder being rescheduled due to inclement weather conditions. Overall programme remains on track.

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

A design brief has been completed for council architects and a wider design team has been commissioned. Work has commenced and is in progress on a detailed design for the building. This has included a range of survey work that has been undertaken to inform the design process and ensure that options are followed that are best able to reduce overall construction costs, optimise floorplates for proposed additional floorspace and reduce potential impacts on existing units while meeting the outputs of City Deal.

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

The support being provided to the third cohort of businesses taking part in the 5G-Brighton Technology Accelerator Programme has been impacted due to Covid-19 restrictions. Physical access to the Testbed facilities was curtailed in mid-March, with remote access only provided. A re-opening strategy for the Testbed is currently in hand and with it a completion plan for the third cohort. The impact of Covid-19 on the Research & Innovation Fibre funding agreement may have a long-term impact on plans for the Testbed.

An open call for a fourth cohort of businesses to engage has been launched, themed around the Creative Industries. The 5G Testbed partners have been collaborating with third parties (including Warner Bros and O2) on a bid to DCMS around 5G and the Music Industry. The support for immersive businesses has been limited to online-only activity due to the temporary closure of the Brighton lab. However, a £1m funding bid to UKRI between regional immersive company MakeReal and the University of Sussex to use Virtual Reality to analyse reactions to extreme situations has been successful.

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

Construction has continued over most of the last period, but on a greatly reduced scale due to Covid-19 related restrictions. Offsite public realm works have commenced and are in progress. There have been no completions on any of the blocks over the last period. Henry Construction have been working on a revised timetable which will be released shortly and reviewed by U+I. An application is being made for additional LEP funding to assist South East Dance with fit-out costs in respect of The Dance Space, due to financial pressures caused by construction delays, ongoing uncertainties over practical completion dates, inflation and Covid-19 related issues widely affecting the charity-sector in general.

3.1.6 Plus X (Brighton) - £7.7m

In May 2020 the Plus X project achieved a major milestone, Practical Completion of the building, and the new facility was opened in June. This represented a modest delay, in large part due to Covid-19 and the need for a reduced workforce to ensure social distancing, and the planned opening event was cancelled. Landscaping works around the building were commenced, including the introduction of new mature Elm trees to the Lewes Road frontage of the building. U+I's operational management team continue to promote the facilities, including regular tours, and continue to build up membership. In relation to other elements of the wider development, construction continues broadly in line with programme. Work to incorporate a medical centre within the development continues and recently saw completion of the Agreement for Lease. Construction of the student blocks on the barracks site is nearing completion in readiness for the new academic year and the concrete frame for the first of the residential blocks reached level 5.

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

The carriageway was reconstructed and resurfaced over a programme of night works during March. In preparation for the surfacing works all major Highway civils works were complete including installation of kerbs, drainage and underground services. Footway surfacing is largely complete for the majority of the scheme with the final resin bound gravel being laid around the perimeter of the gardens and within the greenspace areas.

The detailed programme of traffic signal installation has been completed for all 5 major junctions. Each junction was decommissioned worked on a temporary system until the new signals were commissioned. Essential testing and inspection work was mainly carried out offsite and final installation and commission of all 5 junctions carried out on site. The street lighting programme is significantly complete with some outstanding electrical connections to be made. Internal lighting columns have also been installed throughout the gardens adjacent the new internal footpaths and cycle route. A programme of installation for the restored heritage columns is currently underway.

In the gardens previously planted perennials now starting to establish. The landscaping and profiling has been completed along with the installation of over

150 new trees. The gardens will undergo a period of establishment before fully opened for use.

The majority of the Civils works now are in the new Richmond Square area which has been excavated and prepared within levels ready to receive final surface course. Work will continue in this area to the north with the new lawns area then the developments of St Peters Square where the works compound currently stands.

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

Key areas of progress since the last period include;

- Established Design Team
- Preliminary survey programme
- Developed designs for flood wall to RIBA3/4
- Preparation of cost plans for delivery
- Early engagement with Volker Stevin through new EA Framework

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

See 3.25 below

LGF Growth Deal Round 3

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

Worthing Central Phase 1 (Worthing) - £5.6m

3.2.1 **Teville Gate:**

Main developments since the last period:

- Construction commenced on new office building for Teville Gate House and topping-out to take place on 01/04/2020.
- Mosaic Capital's planning application was considered by planning committee on 04/03/2020 and resolution to grant permission subject to S106
- Homes England provided a letter committing to support the project with funding of £6m for affordable homes.

3.2.2 **Union Place:**

Main developments since the last period:

- Following the last pre-app planning meeting held on 29 November 2019, further design work design work has been included within project plans.

- The project team have been reviewing legal and insurance implications and detailed rights to light and covenants with a view to undertaking a S203 report.
- Planning application submitted 6th March 2020.
- Target July Worthing Planning Committee
- Disposal strategy procurement being undertaken in May 2020.

3.2.3 Decoy Farm (Worthing) - £4.8m

Preparatory works for remediation:

- Environmental Screening opinion letter submitted to LPA
- Site specific Flood Risk Assessment commenced
- Ground Investigations completed (03/2020)
- Investigation of compensatory land/habitat underway
- Master-planning work underway to support marketing.
- Contractor frameworks identified for remediation.

Preparatory works for disposal:

- Disposal Options Report completed
- Title report commissioned

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

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

Work to address onsite contamination commenced in September 2019. Ecological works and ground works are underway.

3.2.5 Growth Location (Burgess Hill) - £14.9m

Northern Arc: Work is continuing on site with housebuilder Countryside Properties. The application for the western link road was submitted on 27 January with determination expected in July 2020. Subject to planning permission, these works are also expected to commence in September 2020. Homes England anticipate that the delivery of the Northern Arc will progress in accordance with agreed timeframe and phasing plan.

Place and Connectivity: Design and build contractors Sustrans & Balfour Beatty have been procured and detailed design is underway. Public engagement on the programme's phase 1 projects began on 14 May and will continue until 25 June. Due to Covid-19 the engagement has been conducted using digital channels, letter drops, and other remote methods. Delivery of the phase 1 schemes will start in Summer 2020 beginning with delivery of town-wide green links.

Construction of phase 1 (LGF funded) scheduled to complete in March 2021.

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

Employment space, The Hub: The second phase of development (a 5,000m² warehouse for Roche Diagnostics) was completed in early February. The site will be operational by summer 2020. Outline planning permission for the remaining 40,000 m² has been approved, and issued.

Digital Infrastructure: Works to implement the Digital Infrastructure across and around Burgess Hill, including a southern link to Brighton and a northern link via Horsham to Crawley, are well progressed despite Covid-19 challenges. Detailed design has been mainly completed. A number of Dig-Once opportunities have been identified which will further reduce the impact of the works on the travelling public and highway network. Works are planned to commence on site in August, under a phased approach with up to four work-fronts at any one time. Additional funding has also been sought from the LEP for the Brighton Link, to deliver a more resilient network connection between Crawley and Brighton, which will be owned by the Authority, rather than relying on leasing 3rd party commercial infrastructure.

One public estate (OPE) 7:

The Brow - redevelopment of an extended Brow site in Burgess Hill will provide enhanced accommodation for the emergency and primary care services and to create space for 440 new homes (led by WSCC). Consultants Faithful and Gould completed viability study at the beginning of June which is currently being reviewed ahead of engagement and discussion with other stakeholders. As the scheme is at the design stage Covid-19 has not had an impact.

Land adjacent to Burgess Hill station - The conceptual scheme covers a 2.3 hectare site and will provide 240 apartments, a 350 space multi storey car park, 500 m² of employment space and significant remodelling of the train station infrastructure. Consultants CBRE delivered a second-draft feasibility report in June. The next steps will be to agree an engagement strategy with the other key stakeholders, Network Rail and The Arch Company (the principal land owner at the site). As the scheme is at the design stage Covid-19 has not had an impact at this time.

Goddards Green Waste Water Treatment Works: Phase 1 of the project has been completed delivering most of the odour reduction benefits. All the £4m LGF-funding has been spent, and the project is now continuing at pace funded through the £6.54m HIF grant. Covid-19 has caused a slight delay to the project, resulting from staff in Southern Water's supply chain being furloughed and from the overseas suppliers of some components temporarily closing their factories. Whilst an overall delay of three months is anticipated, the project has robust mitigation measures in place which will ensure that all the odour reduction benefits are realised by December 2020.

3.2.6 **Waterfront (Brighton) - £12.1m**

Pre-app process commenced for the Black Rock site - planning application targeted for end of October in order to keep to programme (for expenditure of LEP funds by March 2021).

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

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

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

Phase 2: Public consultation on proposed development by Hyde Housing took place on 20/02/2020 and detailed design work is underway with a view to the planning application being submitted in Summer 2020.

Issues have arisen from Hyde Housing due to Covid19 and will delay exchange and submission of the planning application.

3.3.2 Springman House (Lewes) – £2.0m

Architects have undertaken detailed consultation with the blue light end users and have continued to work to develop a viable scheme that meets their operational requirements. The components and overall design for an operationally viable facility has now been agreed with East Sussex Fire & Rescue Service.

3.3.3 Railway Quay (Newhaven) - £1.5m

Flood defence works on site now completed and negotiations underway with existing tenant re: relocation. Initial masterplan has been prepared and discussions undertaken with potential tenants. However, delays have been created by the closure of the adjacent UTC@harbourside. No further decisions will be made until the future of the UTC has been finalised – Government has decided not to pursue the Preferred Bidder. As such, LDC is working with partners to identify potentially viable end uses for the building and negotiations are ongoing.

3.3.4 Eastside South (Newhaven) - £1.6m

Work on Phase 1 was completed in 2018, with two new occupiers operational by April 2019.

Work on Phase 2 commenced in April 2019 and demand has been strong for the new units. One business has withdrawn from taking a new unit citing Covid-19, but enquiries remain strong.

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

The Council's appointed Management Contractor, Westridge Construction Limited, is progressing emergency and remedial works to achieve weatherproof buildings. Following the completion of all structural remedial works to the 200 year-old Corn Exchange timber frame, lead guttering and roof coverings are now being installed. While the site has remained open during the lockdown, a number of subcontractors furloughed staff, which has caused some delays to progressing works. The council has considered its options to continue the works to Practical Completion and is seeking to continue with Westridge to avoid further delays to the handover of the building to Brighton Dome Brighton Festival adding to its financial pressures caused by Covid-19 crisis.

Project completion is now anticipated in October 2021.

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

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

3.4.1 Crawley College STEM & Digital Centre (Crawley) - £5.0m

Design work has been completed and W Stirland Ltd have been appointed as the building contractor. Subject to planning approval the project is expected to be completed by September 2020.

3.4.2 Pelham Campus Redevelopment (Brighton) - £5.0m

Formal planning consent for the project was issued on the 23 March 2019 following completion of the legal documentation and agreement of the planning conditions.

Work is continuing with the main contractor and the design team to complete the design and tendering work so the project can move into the construction phase. This is progressing well and it is now expected that work on site will start in the summer.

3.4.3 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. The equipment has been ordered and construction has commenced. Its due to be commissioned at the end of 2019 and the project is on track.

3.4.4 Charleston Trust Centenary Project (Lewes) - £0.6m

This 570m² new development includes the Trust's first exhibition space, as well as an events space and new restaurant. The exhibition space is housed in a new building, while the events space and restaurant will be situated in two 18th-century farm buildings, restored and redeveloped. The development launched on 8 September 2018.

LGF Growth Deal Unallocated Funding – June 2019 Call

3.5 In June 2019 Coast to Capital announced that it had approximately £9.1m of unallocated funds available to support capital growth projects. Funds would specifically target projects that contribute towards the Coast to Capital Gatwick 360 Strategic Economic Plan (SEP); to deliver economic outputs as detailed within the 8 priorities SEP, or to support medium term delivery of the Strategy. This call was open for Expression of Interest (EOI) applications from Tuesday 11th June 2019 until 12noon on Tuesday 2nd July 2019.

3.6 A total of 6 projects from across the Greater Brighton region were awarded funding:

- Developing Land Based Skills and Skills Resilience in People (Plumpton College) - £831,265
- Gigabit Coast: Adur & Worthing (Adur & Worthing Councils) – £2,000,000
- Haywards Heath College (Chichester College Group) – £1,200,000
- Crawley Growth Programme Phase 3 (Crawley DC/West Sussex CC) - £820,000
- Brighton 5G Fibre Ring (Brighton & Hove City Council) - £832,647
- Littlehampton Town Centre Public Realm Improvement Scheme (Arun District Council) - £564,274

In addition, West Sussex County Council were awarded £2,000,000 for the Converged Fibre Connectivity Programme, which will have an impact across the West Sussex Districts.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

4.1 None required.

5. COMMUNITY ENGAGEMENT & CONSULTATION

5.1 None required.

6. CONCLUSION

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

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

7.1 A total of approximately £90m was allocated to projects across the City Region from LGF Growth Deal rounds 1 & 2 and £48.8m of funds from LGF Growth Deal round 3. Further sums totalling £27.3m have also been accepted from the LGF Growth Deal Unallocated Funds rounds. These schemes are listed in paragraphs 3.1 to 3.6 above. 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.

Finance Officer Consulted: Rob Allen, Principal Accountant

Date: 02/07/20

Legal Implications:

7.2 None.

Lawyer Consulted: Joanne Dougnaglo, Senior Property Lawyer

Date: 03/07/20

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:

1. Greater Brighton Investment Update Report July 2020

Background Documents:

None