

Brighton & Hove City Council

Policy & Resources Committee

Agenda Item 41

Subject: Major Projects update

Date of meeting: 29 July 2022

Report of: Interim Executive Director Environment, Economy & Culture

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Ward(s) affected: All

For general release

1. Purpose of the report and policy context

- 1.1 At the February 2022 Policy & Resources meeting it was agreed to bring an update on Major Projects to the Committee every six months.
- 1.2 Appendix 1 of this report contains the latest Major Projects Bulletin providing an update on these projects.

2. Recommendations

- 2.1 That Committee notes progress on the projects detailed in the report.
- 2.2 Agree that the Circus Street development is removed from future reporting now that it is fully complete and the Dance Space opened.

3. Context and background information

- 3.1 The Bulletin in appendix 1 provides an update on major projects being delivered in the city that the council has a direct interest in. Some of these projects are delivered by the council directly and others through another partner or developer.
- 3.2 The COVID-19 pandemic has been a challenging period for the delivery of major capital projects with for example, contractors stopping work, fewer people being allowed on site and issues with supply chain. The council has been working closely with partners and constructors to ensure that project have continued despite these difficulties. However there has inevitably been an impact on the speed of delivery of projects.

- 3.3 The pandemic has also made it exceptionally challenging to develop the project pipeline and progress projects at an earlier stage as focus has been on keeping projects on track and it has been challenging to undertake public consultations and other activities necessary to develop projects. This has impacted on the overall capital programme with significant slippage as projects have not progressed to the time scale anticipated prior to the pandemic. Additional resources have been put in place to ensure that projects can get back on track.
- 3.4 This period has also seen more un-certainty in the construction market than any period in recent memory. This has been caused by the combined impacts of COVID-19, Brexit, global supply chain issues and now the war in Ukraine. This has caused significant delays, with longer lead in times for many goods and materials, and also impacted on costs causing cost increases (see [Construction output price indices - Office for National Statistics](#) and [Materials costs continue to grow at unprecedented rate | BCIS](#)) and requiring increases of many project budgets. Officers have been working closely with their professional teams and partners to control costs and keep projects on track.

4. Analysis and consideration of alternative options

- 4.1 Options for the delivery of these projects has been reviewed and considered as part of the initial project scoping.
- 4.2 Options for controlling costs are being considered on a project by project basis.

5. Community engagement and consultation

- 5.1 Separate engagement will be carried out on each project and/or programme.

6. Conclusion

- 6.1 The past few years have been an exceptionally challenging period for the delivery of capital projects and the council and partners have worked exceptionally hard to ensure that progress has been made and benefits realised.

7. Financial implications

- 7.1 All major projects will have had business plans approved at Policy and Resources Committee with approved budgets in place within the Council's Capital Investment Programme. Budgets are regularly monitored and any amendments reported to Policy and Resources Committee through either the TBM process or as individual update reports in the case of major variations.
- 7.2 The approved budget costs and key risks for each project are detailed in Appendix 1. Key financial risks include cost overruns associated with Covid

19, programme slippage, cost price rises and construction inflation. Where a project is reported as not being financially viable this will be addressed and reported as part of the business plan review for each project.

Name of finance officer consulted: Rob Allen Date consulted: 18/07/22

8. Legal implications

7.3 The legal implications relating to each project are carefully considered.

Name of lawyer consulted: Alice Rowland Date consulted: 4/7/22

9. Equalities implications

9.1 This work should support the corporate aims of tackling inequality and promoting community wealth building. Oversight of equalities impacts of projects should include Equalities Impact Assessments where required and be overseen by the relevant project board.

10. Sustainability implications

10.1 Major projects should link the Zero Carbon 2030 Programme and other initiatives, programmes and projects to ensure the city is working towards a truly sustainable future.

11. Other Implications

Social Value and procurement implications

11.1 Major Projects have significant potential to promote social value which is considered in a project by project basis.

Crime & disorder implications:

11.2 The successful delivery of major projects has the potential to support the reduction of crime and disorder in the city.

Public health implications:

11.3 Major projects can help promote public health and improve quality of life for the city's residents and visitors.

Supporting Documentation

1. Appendices

1. Major Projects Bulletin

