Brighton & Hove City Council

Cabinet Agenda Item 171

Subject: City Economic Growth Board

Date of meeting: 20 March 2025

Report of: Cabinet Member for Finance & City Regeneration

Contact Officer: Alex Voce

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Ward(s) affected: All

Key Decision: No

For general release

1. Purpose of the report and policy context

- 1.1 This report is to seek approval from Cabinet for the establishment of a new Economic Growth Board for the city, which strongly aligns with the city's Economic Plan and core outcomes 1 (a city to be proud of), 2 (a fair and inclusive city) and 3 (a healthy city where people thrive) of the Council Plan 2023-27.
- 1.2 The establishment of a new Economic Growth Board aligns with Sussex and Brighton being included on the Devolution Priority Programme and the future development of a Mayoral Strategic Authority, ensuring that a clear and united business voice is able to represent the economic growth needs and aspirations of the city.
- 1.3 Economic growth is the number one mission of the Government, driving up productivity, prosperity and living standards. The Government's mission notes that "growth can only be achieved in partnership with businesses". This aligns strongly with the vision for the new Economic Growth Board as set out in this report.

2. Recommendations

- 2.1 That Cabinet agrees to note the establishment of the Economic Growth Board and formally designate the Economic Growth Board as an outside body in line with Government guidance.
- 2.2 That Cabinet agrees to nominate the Cabinet Member for City Finance and Regeneration as the council's representative on the Board.

3. Context and background information

- 3.1 An Economic Plan for Brighton & Hove has been developed for the city, providing a common goal and purpose that partners and stakeholders can work towards. The Economic Plan recognises the challenges the city faces, as well as the shared ambition of our partners. It has been developed around the idea of a new economy for Brighton & Hove, a ten-year journey to becoming a city which is more competitive, productive, fairer, and greener.
- 3.2 The Economic Plan is underpinned by new partnerships and approaches, which explicitly challenge and evolve from how we have worked in the past. It recognises that Brighton & Hove is a genuinely unique city in the national context and that this can work to our advantage when working with partners across the region. It is within this context that the establishment of a new Economic Growth Board has been proposed.
- 3.3 Establishing a new Economic Growth Board strongly aligns with the Council's Corporate Plan, primarily focused on Outcome 1 (a city to be proud of), as well as creating an inclusive and fairer city (Outcome 2) and a better future for young people (Outcome 3). The table below sets out key alignment.

Outcome 1: A city to be proud of	
Investing in our city	Alignment with Economic Growth Board
Grow a diverse and sustainable city economy Promote and protect what makes	 The Board will be a key delivery vehicle for the city's Economic Plan. It will further strengthen the business voice and its broad sector representation reflects the diversity of the city's economy – which will be vital as devolution discussions progress. The Board will ensure that the council continues to work in partnership with the business community to support and grow our economy and promote the city for external investment. The Board will recognise the importance of the visitor and
Brighton & Hove unique	 creative economies to the city, helping to identify opportunities for growth. The Board will also act as the city's initial 'Business Ambassadors', with a remit to promote the city to external investors to support delivery of economic growth in Brighton & Hove.
Outcome 2: A fair and inclusive city	
An inclusive and fairer city	Alignment with Economic Growth Board
A city where people feel safe and welcome	 The Board will play an important consultative role, reflecting the aspirations and needs of city businesses in delivering safe public spaces as well as tackling crime and anti-social behaviour.
Outcome 3: A healthy city where people thrive	
A better future for children and young people	Alignment with Economic Growth Board
Work with partners to deliver ambitious employment, training and apprenticeship opportunities	Building a stronger and more inclusive labour market is a key aspect of the Economic Plan. It is reflected in the new Board through the inclusion of a representative from the City Employment & Skills Plan steering group. This will support collaboration with key education and business partners to deliver the council's aspirations.

Business Representation

- 3.4 Prior to April 2024, Local Enterprise Partnership (LEPs) acted as a means of bringing together businesses and local leaders to drive economic growth. Following the abolition of LEPs, all core functions have been transferred to Upper Tier Local Authorities (UTLA's). This includes the importance of ensuring a strong business voice to inform strategic policymaking, as first set out in the Levelling Up White Paper in 2022.
- 3.5 Government guidance sets out the expectation that local areas will establish a strong and independent business voice, with representation that is broad and diverse and can advise on and support delivery of an area's economic plan.
- 3.6 The establishment of a new Economic Growth Board is in line with published guidance and work undertaken by a Shadow Board that met in January 2025 to agree transition and governance arrangements.
- 3.7 The Economic Growth Board is an evolution from the existing Brighton & Hove Economic Partnership (BHEP)¹. This is for two reasons; firstly, to reflect the work that the partnership has delivered over the past twenty years; and secondly, to avoid duplication of business voices.
- 3.8 The Economic Growth Board is intended to become the primary voice of business to inform the strategic economic growth narrative for Brighton & Hove and beyond. It seeks to build on the work of the BHEP, bringing business voices together on a voluntary basis to support the economic development of the city and sub-region. It is expected that the Board will feed into future discussions on a Sussex-wide geography, alongside the West Sussex Economy Board and Team East Sussex.

Economic Growth Board

- 3.9 The Vision for the Economic Growth Board focuses on helping to embed a strong and diverse business voice and play a key role in the delivery and implementation of the Economic Plan, including:
 - Working strategically at a local and sub-regional level on the prioritisation and execution of projects critical to the development of a fairer, greener, and more competitive economy.
 - Supporting the development and delivery of an inward investment offer designed to attract new investment into the city, as well as retaining expanding companies.
 - Acting as initial 'Business Ambassadors' for the city promoting opportunities and disseminating relevant information through members' existing networks
 - Collaborating on the development of a strategic economic growth narrative to secure devolved powers and longer-term funding for economic infrastructure and growth.

¹ The BHEP was originally created in the early 2000s by the now defunct South-East England Development Agency, with a remit to embed business thinking in issues such as housing, skills, jobs, transport and connectivity. The BHEP has always acted as a critical friend to the city council.

3.10 The Economic Growth Board will meet on a quarterly basis to deliver the Vision as set out above. Terms of Reference were agreed in principle at the Shadow Board meeting in January 2025 and are attached as an Appendix to this report.

Economic Growth Board Membership

- 3.11 Government guidance (December 2023) highlights that "a board should have a diversity of voices, involve business representative organisations (e.g., local Chambers of Commerce, the Federation of Small Businesses) and there should also be a clear conflict of interest policy (where private interests, both pecuniary and non-pecuniary are declared)."
- 3.12 Proposed Board membership reflects the Government guidance on business representation, with the following offered a seat on the Board:
 - Cabinet Member for Finance and City Regeneration, BHCC
 - o Brighton Chamber of Commerce
 - Sussex Chamber of Commerce (the designated Employer Representative Body for the regional Local Skills Improvement Plan)
 - Federation of Small Businesses
 - Representative from the City Employment & Skills Plan steering group.
- 3.13 In addition and to reflect the work of the BHEP over two decades it is proposed to retain two members of the BHEP Executive steering committee on the Board. For the first year of the Board, the existing BHEP Chair is to be retained as Chair of the Growth Board for continuity purposes. A representative from the Ministry for Housing, Communities and Local Government (MHCLG) will also be invited in an advisory capacity.
- 3.14 A total of 15 Board Members plus the Chair are proposed. This means that there are 8 vacancies for Board Members. A public call for business leaders to apply to join the Board will shortly be launched, with a focus on sectors that play a key role within the city's economy as reflected in the Economic Plan.
- 3.15 A diversity of voices is sought to join the Board to reflect the diversity and inclusivity of Brighton & Hove, as well as the city's business community. Officers have engaged through a wide range of business and community networks to maximise interest and applications from the full breadth of the city's business base.

4. Analysis and consideration of alternative options

- 4.1 The alternative option would be to not form a Growth Board.
- 4.2 This option was rejected as it does not align with Government guidance following the integration of LEP functions within UTLAs. This guidance sets out the importance of ensuring appropriate business representation in strategic policymaking.

4.3 Further, demonstrating a strong business voice is also an eligibility requirement for some government programmes (including Growth Hubs), with the Brighton & Hove Growth Hub now established alongside the Business & Intellectual Property Centre to support the city's business community.

5. Community engagement and consultation

- 5.1 It is important that business representation on the Economic Growth Board reflects the city's geography, diversity and its diverse economy. A proactive approach is being taken to Board recruitment with support from internal council teams as well as external partners. The opportunity is being widely signposted through city business networks and key partnerships to maximise awareness and exposure. This has been combined with targeted promotion on social media.
- 5.2 Discussions commenced in 2024 with the Executive of the BHEP to agree the evolution to a new Growth Board. These discussions continued for several months to identify and resolve key issues. Subsequently, a discussion took place at a full meeting of the BHEP in December 2024 to formally agree the evolution of this partnership into the new Economic Growth Board.
- 5.3 A Shadow Growth Board meeting was then held in January 2025 to agree core governance issues with the business community. This will shortly be followed by a public recruitment exercise to identify city business leaders that wish to become Board Members of the new Economic Growth Board.

6. Financial implications

6.1 Local Economic Development Fund has been awarded in 2024/25 to aid transition of LEP functions to UTLAs and it is proposed to utilise this funding to support the set-up and operation of the Economic Growth Board in its first year of operation.

Name of finance officer consulted: John Lack Date consulted: 18/02/25

7. Legal implications

- 7.1 The Council has the power to put in place the arrangements contemplated by this report pursuant to the general power of competence contained in section 1 of the Localism Act 2011 which allows the Council to do anything that an individual may do subject to any statutory constraints on the Council's powers.
- 7.2 In addition, Section 111 Local Government Act 1972 provides the Council with the power to do anything whether or not involving the expenditure, borrowing or lending of money or the acquisition of property rights which is incidental, conducive or calculated to facilitate the exercise of any of its functions. The recommendations in this report are in keeping with these powers.

Name of lawyer consulted: Siobhan Fry Date consulted: 19/02/25

8. Equalities implications

- 8.1 A key principle of the Economic Plan is to promote inclusive growth in the city. An Equalities Impact and Outcome Assessment (EIA) was prepared for the Economic Plan identifying where work can be effectively focused to maximise benefits for diverse and vulnerable groups.
- 8.2 The EIA recognised that there is no published data on the experience of expatriates, migrants, asylum seekers or refugees in Brighton & Hove as business owners or intersectionality with religion and age, gender, ethnicity, disability or deprivation. The creation of an Economic Growth Board may help to better embed a more diverse range of business voices.
- 8.3 A proactive approach is being taken to Board recruitment with support from internal council teams as well as external partners. The opportunity will be widely signposted through city business networks and key partnerships to maximise awareness and exposure.

9. Sustainability implications

9.1 The creation of an Economic Growth Board aligns with one of the core objectives of the Economic Plan to prioritise decarbonisation and create a more circular economy as a robust response to climate change. The Board will support delivery of the Economic Plan and ensure that the city's business community continues to engage with our Circular Economy Action Plan, as well as the wider transition to net zero, working with larger businesses, investment partners and anchor institutions to continue to mainstream this work within our economy.

10. Other Implications

Crime & disorder implications:

10.1 Studies have repeatedly linked unemployment to rising crime and the deterioration of health. Improving the economic prospects of the city's residents through driving economic growth led by a new Economic Growth Board may contribute to reducing crime and anti-social behaviour.

11. Conclusion

- 11.1 Cabinet is asked to note the establishment of the new Economic Growth Board as required by Government guidance, and to approve the Cabinet Member for Finance and City Regeneration as the council's representative on the board.
- 11.2 The Economic Growth Board will support delivery of the Economic Plan, helping progress the city towards a fairer, greener and more productive economy, ensuring a business voice is embedded and working together with

- external partners to grow the city's economy and build wealth for our communities.
- 11.3 The establishment of a new Economic Growth Board also aligns with Sussex and Brighton being included on the Devolution Priority Programme and the future development of a Mayoral Strategic Authority, ensuring that a clear and united business voice is able to represent the economic growth needs and aspirations of the city.

Supporting Documentation

- 1. Appendices
- 1. Agreed Terms of Reference City Economic Growth Board
- 2. Background documents
- 1. Guidance for Local Authorities delivering business representation functions
- 2. An Economic Plan for Brighton & Hove 2024-27