

Subject:	Greater Brighton Investment Programme – 2016/17 Project Pipeline		
Date of Meeting:	14 October 2014		
Report of:	Chair, Greater Brighton Officer Programme Board		
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LA(s) affected:	All		

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 The report outlines the proposed project pipeline for projects within the Greater Brighton Investment Programme that are scheduled to commence in 2016/17 and which could form part of the Coast to Capital LEP's bid for funding from Round 2 of the Local Growth Fund.
- 1.2 The pipeline represents Greater Brighton projects that formed part of the LEP's Strategic Economic Plan, which could commence in 2016/17. At the time of writing this report, the timetable for Local Growth Fund Round 2 has not been published, but it is anticipated to be during 2015. However the LEP are encouraging partners to develop their pipeline of projects, to prioritise more rigorously and to work up robust business cases.
- 1.3 The report also outlines the proposed list of projects for submission to the LEP for loan financing through the LEPs' allocation of £88m Public Works Board facility.

2. RECOMMENDATIONS:

- 2.1 That the Greater Brighton Economic Board:
 - (1) Agrees the project pipeline for the 2016/17 Greater Brighton Investment Programme, recognising the new projects may come forward
 - (2) Requests that the Greater Brighton Officer Programme Board develops full business cases for each of the pipeline projects
 - (3) Agrees to submit the list of proposals outlined in para 3.7 to the LEP for consideration for Public Loan Work Board facility

3. CONTEXT/ BACKGROUND INFORMATION

Developing the pipeline

- 3.1 At the 29th July 2014 meeting, the Greater Brighton Economic Board asked that Officers produce a revised list of city region pipeline projects which will be developed into full business cases for the next LGF funding round.
- 3.2 Work on the developing the business cases for the Greater Brighton 2016/17 project pipeline began in August alongside implementation of the City Deal and Round 1 Local Growth Fund projects. However, at the time of writing this report, the LEP have had no formal notification of the timetable and process for next (2016/17) funding round. It is currently expected that the next funding round will after the May 2015 General Election, which gives time for the Officer Programme Board to develop strong 'bid-ready' business cases.
- 3.3 The LEP have discussed with partners three principles for Round 2:
- Not re-writing the Strategic Economic Plan – projects to reflect the agreed priorities
 - Follow through what we started in City and Round 1 of Growth Deal – many 15/16 projects are part of wider programmes linked to our spatial priorities.
 - Fewer projects, better argued – and projects that are already in the Strategic Economic Plan as part of the six year programme.
- To succeed in the next round we will need to have much stronger cases and they will need to be much further along the track towards being "shovel ready". The competitive environment between LEPs will also ratchet up.
- 3.4 Developing business cases is expensive, particularly in relation to transport projects. We will need to agree with partners which projects for 16/17 onwards should be worked up further. The cost of this will have to fall on partners as the LEP will not have funding for this. There will be scope for collaboration across all our authorities and with the private sector.
- 3.5 A list of the proposed pipeline projects for the Greater Brighton City Region which fit and deliver Strategic Economic Plan priorities are attached at Appendix 1. Individual project outlines can be found in the confidential Appendix 2. There is significant urgency to both agreeing the pipeline and getting the business cases underway.
- 3.6 Some projects may not proceed to a full business case, whilst others may be more suitable for other funding sources, such as the Sustainable Transport Package, Transport Resilience Package or European Structural & investment Funds (ESIF)

Proposed projects for the LEP's Public Works Loan Board facility

- 3.7 The LEP were also allocated a £88m Public Works Loan Board (PWLB) facility. The LEP wrote to all local authority CEOs asking for proposals for projects that would benefit from this PWLB financing. The LEP are proposing to put firm proposals to Government by Christmas. The Officer Programme Board are

recommending that the following Greater Brighton projects are put forward to the LEP for submitting to Government:

- Shoreham Western Harbour Arm flood defences
- Brighton i360

4. CONCLUSION

- 4.1 The pipeline represents the Greater Brighton projects that formed part of the LEP's Strategic Economic Plan, which could commence in 2016/17. At the time of writing this report, the timetable for Local Growth Fund Round 2 has not been published. However the LEP are encouraging partners to develop their pipeline of projects, to prioritise more rigorously and to work up robust business cases.

5. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 5.1 The project pipeline for the Greater Brighton Investment Programme details projects due to commence in 2016/17 under the LEP's Strategic Economic Plan and which could form part of the Coast to Capital LEP's bid for funding from Round 2 of the Local Growth Fund. Although no announcement on funding from the Local Growth Fund has been confirmed it will be necessary for detailed business plans to be prepared for each project. The business plans need to demonstrate the financial viability of each project including a full cost plan, funding options and risks together with mitigation plans. The preparation of individual business plans can be expensive and may require specialist advisors and consultants. The cost of preparing individual business plans will form part of the overall cost for each project and will be met from within those project budgets.

The LEP has been allocated a £88m Public Works Loan Board (PWLB) facility. The Officer Programme Board are recommending that two Greater Brighton projects are put forward to the LEP for submitting to Government i) Shoreham Western Harbour Arm flood defences and ii) Brighton i360. Both of these projects will need to demonstrate through their viable business plans that the financing costs associated with the borrowing can be sustained over the life of the project.

Finance Officer Consulted: Rob Allen, Principal Accountant, BHCC Date: 25th September 2014

Legal Implications:

- 5.2 As each project goes through the business case process legal issues will emerge and be resolved. There are no direct legal implications arising from this report. There are some commercial sensitivities around some of the project details and hence the separate Part II information.

Lawyer Consulted: Bob Bruce, Deputy Head of Law BHCC Date: 02/10/14

Equalities Implications:

- 5.3 No equalities implications have been identified at this stage of the process. As the business cases for individual projects are developed, lead partners will be asked to develop an Equality Impact Assessment on their project if appropriate.

Sustainability Implications:

- 5.4 The Coast to Capital Growth Deal announced in July 2014 includes a 31.7m funding package for sustainable transport projects.

Any Other Significant Implications:

- 5.5 None

SUPPORTING DOCUMENTATION

Appendices:

- 1 Proposed 2016/17 project pipeline
2. Confidential Project pipeline templates (See item 23)

Background Documents

1. Coast to Capital Strategic Economic Plan

Appendix 1. Proposed 2016/17 project pipeline

Project title	Lead Delivery Body	Link to Strategic Economic Plan
Worthing Decoy Farm	Worthing BC	Enable investment in Growth Locations and Opportunity Areas
Worthing, Martlets Way	Worthing BC	Enable investment in Growth Locations and Opportunity Areas / Support business investment
Worthing Montague Street	Worthing BC	Enable investment in Growth Locations and Opportunity Areas / Support business investment
Worthing College Innovation Centre	Worthing BC	Enable investment in Growth Locations and Opportunity Areas / Support business investment / Skills and Workforce
Northbrook College Enterprise Centre	Worthing BC	Enable investment in Growth Locations and Opportunity Areas / Support business investment / Skills and Workforce
Worthing, Teville Gate	Worthing BC	Enable investment in Growth Locations and Opportunity Areas / housing and infrastructure
A27 Roundabout and Infrastructure	Adur DC	Enable investment in Growth Locations and Opportunity Areas / housing and infrastructure
Newhaven: Site Opportunities	Lewes DC	Enable investment in Growth Locations and Opportunity Areas / housing and infrastructure
Brighton A259 Corridor	BHCC	Enable investment in Growth Locations and Opportunity Areas / Housing and and transport infrastructure
Brighton Gateway to the Sea – Shelter Hall	BHCC	Enable investment in Growth Locations and Opportunity Areas / housing and infrastructure
Brighton Gateway to the Sea – West Street	BHCC	Enable investment in Growth Locations and Opportunity Areas / housing and infrastructure
Brighton Coastal Transport System	BHCC	Enable investment in Growth Locations and Opportunity Areas / housing and infrastructure
Brighton Seafront Infrastructure (Black Rock)	BHCC	Enable investment in Growth Locations and Opportunity Areas / housing and infrastructure
Brighton & Hove City Wide VMS	BHCC	
Royal Pavilion Estate Master Plan	BHCC	Enable investment in Growth Locations and Opportunity Areas
Burgess Hill A2300 corridor capacity enhancement	MSDC	Enable investment in Growth Locations and Opportunity Areas / housing and infrastructure
Burgess Hill Town Centre Sustainable Transport Package	MSDC	Enable investment in Growth Locations and Opportunity Areas / housing and infrastructure

