



GREATER BRIGHTON ECONOMIC BOARD

**14 JULY 2020
10.00AM**

VIRTUAL MEETING

AGENDA



ADUR & WORTHING
COUNCILS



**Brighton & Hove
City Council**



Lewes District Council



**MID SUSSEX
DISTRICT COUNCIL**



**A R U N
DISTRICT COUNCIL**

Title:	Greater Brighton Economic Board
Date:	14 July 2020
Time:	10.00am
Venue	Virtual Meeting
Members:	<p>Councillors: Humphreys (Chair), Ash-Edwards, Lamb, Nicholson, Mac Cafferty, Parkin, Platts and Walsh</p> <p>Business Partners: Trevor Beattie, Prof. Debra Humphris, Nick Juba, Claire Mason, Dean Orgill, Henry Powell, Andrew Swayne and Prof. Adam Tickell</p>
Contact:	<p>John Peel Democratic Services Officer 01273 291058 john.peel@brighton-hove.gov.uk</p>



**Coast to
Capital**

US
University of Sussex



University of Brighton



MET Greater Brighton
Metropolitan
College

Greater Brighton Economic Board

Alex Bailey

CE- ADC/WBC

**Councillor
Humphreys**

WBC

Lawyer

Secretary

Nick Hibberd
BHCC

Andy Hill
GBEB

**Clare
Mulholland**
GBEB

Max Woodford
BHCC

Martin Randall
WBC/ADC

Peter Sharp
LDC

Cath Goodall
BEIS

Clem Smith
CBC

Denise Vine
ADC

**Councillor
Mac Cafferty**
BHCC

**Councillor
Platts**
BHCC

Geoff Raw
CE- BHCC

**Councillor
Ash-Edwards**
MSDC

Kathryn Hall
CE- MSDC

**Councillor
Parkin**
ADC

**Councillor
Nicholson**
LDC

Robert Cottrill
CE- LDC

**Councillor
Lamb**
CBC

**Natalie
Brahma-Pearl**
CE- CBC

**Councillor
Walsh**
ADC

Nigel Lynn
CE- ADC

**Andrew
Swayne**

A&W Business
Partnership

Dean Orgill
B&H Business
Partnership

Claire Mason
C2C LEP

Henry Powell
CWS Partnership

**Prof.
Humphris**
Vice-Chancellor
UoBtn

**Prof. Adam
Tickell**
Vice-Chancellor
UoSx

Nick Juba
FE Sussex

Trevor Beattie
SDNPA

Jonathan
Sharrock
C2C

Caroline Wood
CWS BP

Jo Havers
UoB

Alan Higgins
ADC/WBC

Andy Willems
ADC/WBC

Mark Healy
MSDC

Public Seating

Press

AGENDA

PART ONE

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1 RATIFICATION OF CHAIR

2 PROCEDURAL BUSINESS

(a) Declaration of Substitutes: Where Members of the Board are unable to attend a meeting, a designated substitute for that Member may attend, speak and vote in their place for that meeting.

(b) Declarations of Interest:

- (a) Disclosable pecuniary interests not registered on the register of interests;
- (b) Any other interests required to be registered under the local code;
- (c) Any other general interest as a result of which a decision on the matter might reasonably be regarded as affecting you or a partner more than a majority of other people or businesses in the ward/s affected by the decision.

In each case, you need to declare

- (i) the item on the agenda the interest relates to;
- (ii) the nature of the interest; and
- (iii) whether it is a disclosable pecuniary interest or some other interest.

If unsure, Members should seek advice from the committee lawyer or administrator preferably before the meeting.

(c) Exclusion of Press and Public: To consider whether, in view of the nature of the business to be transacted, or the nature of the proceedings, the press and public should be excluded from the meeting when any of the following items are under consideration.

NOTE: Any item appearing in Part Two of the Agenda states in its heading the category under which the information disclosed in the report is exempt from disclosure and therefore not available to the public.

A list and description of the exempt categories is available from the Secretary to the Board.

3 MINUTES OF THE PREVIOUS MEETING

9 - 14

To consider the minutes of the previous meeting held on 21 April 2020

4 CHAIR'S COMMUNICATIONS

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For further details and general enquiries about this meeting contact John Peel (01273 291058, email john.peel@brighton-hove.gov.uk) or email democratic.services@brighton-hove.gov.uk

Date of Publication - Monday, 6 July 2020

The Date of the next meeting is 20 October 2020

GREATER BRIGHTON ECONOMIC BOARD

10.00am 21 APRIL 2020

VIRTUAL MEETING

MINUTES

Present: Councillors Humphreys (Chair) Ash-Edwards, Lamb, Nicholson, Mac Cafferty, Platts and Walsh

Business Partners: Sue Baxter, Trevor Beattie, Prof Debra Humphris, Nick Juba, Clare Mason, Dean Orgill, Andrew Swayne, Caroline Wood

PART ONE

27 PROCEDURAL BUSINESS

27a Declarations of substitutes

27.1 Caroline Wood was present as substitute for Henry Powell.

27.2 Sue Baxter was present as substitute for Prof Adam Tickell.

27b Declarations of interests

27.3 There were none.

27c Exclusion of the press and public

27.4 In accordance with Section 100A of the Local Government Act 1972 ("the Act"), the Board considered whether the public should be excluded from the meeting during consideration of any item of business on the grounds that it is likely in view of the business to be transacted or the nature of the proceedings, that if members of the public were present during it, there would be disclosure to them of confidential information as defined in Section 100A (3) of the Act.

27.5 **RESOLVED-** That the press and public not be excluded.

28 MINUTES OF THE PREVIOUS MEETING

28.1 **RESOLVED-** That the minutes of the previous meeting held on 28 January 2020 be approved and signed as the correct record.

29 CHAIR'S COMMUNICATIONS

29.1 The Chair provided the following communications:

“The intention for some time has been to launch the Greater Brighton Energy and Water Plans at this meeting and work has continued to ensure that these plans were ready for today. However, given the unprecedented times we are in we have decided to not publish these plans now and instead launch them when this Board next meets in its usual format. Furthermore, the launch of the plans was to be supported by a highly active communications campaign and resources within the Greater Brighton Communications Team. At this point we feel the priority of our individual teams should be ensuring that Greater Brighton residents and businesses have the reliable and current information they need to help them through the Covid-19 pandemic. However, that does not mean work on the plans is not continuing in the background and Ian McAulay and Geoff Raw (Chair and Vice Chair of the GB Infrastructure Panel) have begun discussing the emerging projects with Coast to Capital and how best to link these with the Local Industrial Strategy for the region.

Another item that was intended for this meeting was the unveiling of the Pitch for Place narrative for the City Region. Adam Breeze started work on this at the end of 2019 and was due to present the narrative for agreement at this meeting. As for the Energy and Water Plans, we will look to present the Greater Brighton narrative the next time this Board meets alongside the proposal for the Greater Brighton Inward Investment Desk.

As we meet virtually because of the coronavirus pandemic, we are concerned for our families, friends, communities and the effects it is having on our region. Our businesses and employers are facing a challenge the likes of which we have never experienced. The Greater Brighton Economic Board has a key role to play in supporting businesses during and following this crisis. Our Local Authorities are working hard to administer the various Government Grant schemes, to ensure that funds are distributed quickly and efficiently to businesses that desperately need this funding. We are also signposting businesses to other support mechanisms, so that businesses can access all the support that they are entitled to. In addition to the Government schemes Coast to Capital have made available a further £2m to help small businesses and social enterprises based in the LEP area.

Local Authorities are also working to support our residents, particularly those that are most vulnerable. An example of this can be seen in Crawley, where the Council have set up a major Distribution Centre at the K2 leisure centre. This is a huge effort, supported by supermarkets and local businesses, focused on getting food supplies to the vulnerable.

Our business partners and city region businesses have also been supporting businesses and residents in these difficult times. The South Downs National Park have produced an interactive map to illustrate which businesses are trading through the crisis, so that residents can search and find suppliers, deliveries and support local to where they live. Again, this is particularly important to those that are most vulnerable.

Colleagues at Ricardo are helping the NHS effort to combat Covid-19 by creating bespoke face shields for NHS healthcare staff and key workers in the care home sector. To ensure the equipment can get to frontline staff that need them as quickly as possible, Ricardo's Technical Centre in Shoreham has been repurposed as assembly lines and logistics centres for the face shields.

These are just some of the examples of how we are working decisively to overcome the current challenge posed by the pandemic. As we emerge from the current crisis will

continue to work together to ensure that we provide businesses and employers with the necessary platforms upon which they can best recover”.

30 GREATER BRIGHTON OPERATIONAL ARRANGEMENTS 2020/21 AND ANNUAL REPORT 2019/20

- 30.1 The Board considered a report of the Chair, Greater Brighton Officer Programme Board that that set out its Operational Arrangements for 2020/21 and the Annual Report for 2019/20.
- 30.2 Councillor Platts sought the Board’s view and comment on how it would approach the next year and a Covid Recovery Plan. Councillor Platts stated that the Covid outbreak had and would continue to cause massive economic shock that might entail working in different ways. Councillor Platts relayed that Brighton & Hove would be happy to play a strong leadership role if that was acceptable to the Board.
- 30.3 Councillor Nicholson welcomed the opportunity for the Board to engage early on the matter and how actions could be accelerated.
- 30.4 Councillor Lamb stated that focus was needed on support the residents of the region as well as the business sector. Councillor Lamb noted that the regional economy was centred on the expansion of Gatwick Airport that stood against Board members carbon neutrality aims. Councillor Lamb added that the region was well-placed to invest in technology and green focussed growth and there was opportunity to radically change structures and priorities in that direction.
- 30.5 Councillor Mac Cafferty relayed his agreement with the comments made adding that the cultural sector should not be overlooked. Councillor Mac Cafferty stated that the Board should quickly develop a recovery strategy and that partnership would be key in a time of a lot of uncertainty.
- 30.6 Prof Humphries endorsed the suggestions made on the economic recovery plan and noted that Universities were expecting a £6.3bn shortfall in funding relating to the foreign student programme and were lobbying government for support. Prof Humphries stated that reskilling and higher education funding could help society and help economies regenerate.
- 30.7 Councillor Ash-Edwards detailed the challenge that would be forthcoming and explained that it was critical that businesses be provided adaptation support as some SME’s might not survive a second lockdown.
- 30.8 Claire Mason agreed with the call for an economic recovery strategy and noting that the Local Industrial Strategy contained very good data and could be updated to reflect to new circumstances.
- 30.9 Jonathan Sharrock stated that the region would be one most economical affected by the Covid 19 outbreak and explained that Coast to Capital LEP were beginning to speak to partners and stakeholders and would shortly set out its proposed response.

30.10 Nick Hibberd stated that officers would take the points raised in the discussion away and start work on a simple recovery outline that would be followed by a recovery plan ensuring that fed into the Local Industrial Strategy. Nick Hibberd stated that partnership had to be central to any plan and proposals could be brought to the next meeting of the Board.

30.11 **RESOLVED-**

That the Board:

- 1) Agree and secure the budgetary contributions sought to fund the cost of running the Board and delivering its workplan in 2020/21;
- 2) Note that Brighton & Hove City Council shall continue to act as Lead Authority for the Board in 2020/21 and 2021/22;
- 3) Agree the process set out at sections 3.16 to 3.18 by which the Chair of the Board shall be nominated for 2020/21;
- 4) Approves the 2019/20 Annual Report and Board members submit the report to their respective organisations.
- 5) Note the date by which the Lead Authority must be notified of all named substitutes and instruct any necessary actions within their respective organisations;
- 6) Note the date by which the Lead Authority must be notified of all nominations to the Greater Brighton Call-In Panel and instruct any necessary actions within their respective organisations;
- 7) Note that the Annual Report will be drafted for presentation to the Board at its final meeting in the 2020/21 municipal year;
- 8) Agree to extend the current communications contract with the Adur & Worthing Communications Team by another year with an update on the second year's activities provided at the July 2020 Board Meeting

31 FUTURE HIGH STREETS FUND - NEWHAVEN TOWN CENTRE

31.1 The Board considered a report of the Chair, Greater Brighton Officer Programme Board that provided an update on Lewes District Council's submission to the Future High Streets Fund and its fit with the strategic objectives of the Greater Brighton Economic Board.

31.2 Councillor Nicholson welcomed the report proposals and detail as a step forward for Newhaven that were part of a range of measures to reduce deprivation, unemployment and inequality in the area.

31.3 **RESOLVED-**

- 1) That the Board notes and endorses the emerging proposals contained with Lewes District Council's submission to the Future High Streets Fund for Newhaven town centre.
- 2) That the Board produce a letter of support for the proposals if requested by the Ministry of Housing, Communities and Local Government (MHCLG).

The meeting concluded at 11.00am

Signed

Chair

Dated this

day of

Subject:	Greater Brighton COVID-19 Impact Assessment		
Date of Meeting:	14 July 2020		
Report of:	Chair, Greater Brighton Officer Programme Board		
Contact Officer:	Name:	Andy Hill	Tel: 01273 291873
	Email:	Andrew.Hill@brighton-hove.gov.uk	
Ward(s) affected:	All		

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

- 1.1 When the Greater Brighton Economic Board “the Board” met on 21 April 2020 the COVID-19 pandemic was a key point of discussion. It was clear at that stage that COVID-19 presented a global health and economic challenge the likes of which we had never experienced. It was also quite clear that the economic impact on the City Region would be significant; Gatwick Airport, the UK’s second largest, was effectively closed as airlines were forced to ground their fleets. This would not only impact the circa 25,000 direct employees but also businesses and workers in the wider aviation industry and airport supply chain – many of which are based in Crawley. The City Region’s strong cultural and visitor economy, and wider hospitality sector, particularly along the south coast, would also be severely impacted by the crisis. There was also concern around the resilience of supply chains and routes to market in sectors such as advanced manufacturing.
- 1.2 Whilst tackling immediate and urgent issues caused by the crisis were the priority, there was also a need to look ahead towards a post COVID-19 recovery phase, which the economy would enter once restrictions started to be lifted. There was agreement that, although recovery was being discussed at a local level, the economic recovery should be considered at a regional level and that the Board was well-placed to lead on this.
- 1.3 Before informed decisions could be made around economic recovery there was a need to understand the economic, social and health impacts of COVID-19 to the Greater Brighton region. To that end, a brief on a research exercise was developed and after a tender process Hatch were commissioned to deliver the work. This report, and the report at Appendix 1 outline the key findings from the research and make some initial recommendations towards co-ordinating sustainable recovery at a City Region level.

2. RECOMMENDATIONS:

- 2.1 That the Board note the high-level findings of the report on the economy of the region, the sector analysis and the review of the Board’s Five-Year priorities and recommendations in light of the impact of COVID 19.

- 2.2 That the Board agree that an Action Plan against the recommendations is brought the Board at the next meeting in October, following engagement with the Board and partners.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 The United Kingdom, and indeed the rest of the world, is facing an unprecedented health and economic crisis as a result of the COVID-19 coronavirus pandemic. On 23 March, the UK Government imposed restrictions on business operation and personal movement (“lockdown”) in order to reduce transmission of the virus, prevent the NHS from being overwhelmed, and ultimately reduce the number of deaths. Schools and other education institutions were shut, and large parts of the economy were effectively closed, including all non-essential retail and all settings where people congregate.
- 3.2 Despite Government interventions, such as the employee furlough scheme and various grant funds, it was clear early on that there was going to be a significant economic shock resulting from the pandemic. Evidence suggested that even before the UK entered the lockdown phase, businesses were already experiencing reduced demand and facing disruption to supply chains as key trade partners such as China, France, Spain and Italy imposed their own restrictions to reduce the spread of the virus.
- 3.3 Some sectors have been disproportionately affected by the coronavirus pandemic; a study in April from Institute of Fiscal Studies (IFS), highlighted that the accommodation and food services sector, alongside the arts, entertainment and recreation sector have had the largest number of firms decreasing staff working hours. Around 15% of employees were working in a sector that was largely or entirely shut down during the lockdown.
- 3.4 In addition, some workers are disproportionately economically impacted by the coronavirus outbreak. Low paid workers were more likely to work sectors that were shut down and were less likely to be able to work from home. According to the IFS, one third of employees in the bottom 10% of earners worked in shut down sectors, and less than 10% of the bottom half of earners said they can work from home.
- 3.5 Whilst the direct (at the time of writing around 41,000 deaths in the UK are attributable to the virus) and indirect health impacts of COVID-19 can be quantified, the economic implications are much more difficult to assess. Initial expectations were that following a sharp dip, economic recovery would happen quickly as governments loosened lockdown restrictions. Early evidence from countries that are ahead of the UK in terms of restarting the economy indicates that economic activity is not bouncing-back as fast as early predictions suggested.
- 3.6 On 10 June the Organisation for Economic Co-operation and Development (OECD) published its projections around global GDP growth in 2020. Perhaps not surprisingly it predicts that all developed economies are going to experience a GDP shrinkage in 2020. However, of particular concern is that the OECD have identified the UK as being one of the most impacted, and the expectation is for around an 11.5% reduction in GDP in 2020. This is comparable to Italy and

France (11.3% and 11.4% respectively), but more acute than in Japan (6.0%), Germany (6.6%), USA (7.3%). The reasons for this are not totally understood, but the fact that UK has a highly global economy, a large service sector, and has a very high health cost from COVID19 (at time of writing only behind the USA in terms of the number of recorded deaths) are all possible contributing factors.

- 3.7 It is likely that the full impact on economic measures such as GDP and unemployment will not be accurately known until later in the summer and it could be many months for the total impact of the more stringent social distancing measures to be fully understood. There are around 8 million workers currently furloughed under the employee retention scheme, but what is not clear is how many of those will return to that employment once businesses start reopening.
- 3.8 All of this presents a bleak picture for the national economy, although there are some successes hidden in the data. This information is all available at a national level but there is a need to fully understand what was happening at a Greater Brighton Level. Early predictions from the Centre for Cities suggested that Crawley was likely to be one of the worst hit towns in the UK, partly due to the impact of Gatwick Airport effectively closing its doors during April and May. We know that the tourism, retail, hospitality and cultural economies of Brighton & Hove, as well as the towns along the coast, are suffering due to the lockdown measures. However, we also know that digital gaming in the City is less impacted.

Consultancy Brief

- 3.9 The key objective was for there to be an analysis of the data available at a Greater Brighton regional level as well as an application of the national data to the city region's economy.
- 3.10 Specifically, the brief stated that the following were essential;
- **Business activity** – information on how many and what types of businesses have folded, temporarily closed, or are at risk of closing. Of the businesses remaining open, an idea of how long they could continue to operate in this environment. Information on businesses that have adapted or diversified would be helpful.
 - **Staffing** – the extent to which businesses have furloughed staff, or have made other changes to working patterns.
 - **Government support** – figures, if available, on how many of the city region's businesses are eligible and have accessed the Small Business Grant Scheme, the Retail, Leisure and Hospitality Grants or plan to access the Business Interruption Loan Scheme. The number of businesses intending to make use of the business rates holidays, and/or deferring VAT and income tax payments. Outline of the businesses that are ineligible for government support.
 - **GDP** – estimated drop in GDP figures for the region over the three-month period. How this compares with the national average and with other regions.

- **Sector analysis** – what the available data shows about the impact on specific key sectors; creative and digital; retail, cultural and tourism; manufacturing and construction; aviation; horticulture and viticulture; education (including HE and FE, post 16 and apprenticeships and language schools) and public health.
- **Skills** - an understanding of the skills implications i.e. the sectors that are losing people, and what skills are they likely to have, and which sectors may see growth and want more staff. Then some analysis of where those skills gaps are that we need to focus on.
- **Inequality** - Impacts upon unemployment, financial exclusion, and housing and homelessness amongst Greater Brighton population.

Summary Findings

3.11 Below we summarise the key findings presented in the report at Appendix 1;

- Estimates suggest a 11% reduction in Gross Value Added (GVA) in 2020
- The region's estimated year of recovery to pre-covid GVA levels is 2028

These figures above are broadly in line with the UK economy as a whole.

- There will be lasting affects to the City Region's sectoral make up and productivity levels
- An estimated 7,700 businesses have had to temporarily close
- Just under 50% of all Greater Businesses have six months or less of cash reserves
- Corporate insolvencies have increased in volume since May
- Commercial real estate transactions are much lower than in recent years
- Like elsewhere in the country the young have fared worst in the labour market with around a third of workers 18-24 having been furloughed or lost their jobs
- In terms of value, the greatest sectoral GVA losses will be in Manufacturing, Education and Wholesale & Retail
- On a proportional basis the greatest sectoral losses will be in Arts & Entertainment, Education, and Accommodation & Food Services

Sector Impacts

3.12 The research and analysis highlight some stark impacts across a number of sectors. In terms of the actual forecast loss of output (GDP), Manufacturing (£778m), Education (£638m) and Wholesale & Retail Trade (£431m) are expected to be hardest hit. When considering the relative loss (percentage reduction) in output, the hardest hit sectors are projected to be Arts & Entertainment (42%), Education (38%), and Accommodation & Food Services (36%). The education sector features amongst the sectors hardest hit on both measures. This is a real concern, as the sector is significant as a driver employment and GDP, and will also have a key role to play in the economic recovery phase e.g. by the retraining and upskilling of workers that have lost their jobs.

- 3.13 To a certain extent these findings back-up the early anecdotal intelligence that has been gathered at a regional and national level. We know that the closing of non-essential retail for nearly 3 months has hit that sector hard and likewise the hospitality sector, which had to close its doors for even longer. Film, TV and radio production has also been impacted and whilst this and the hospitality sector is starting to reopen now, there will be some longer-term demand disruption. Examples include then long-term impact to demand for business conferences and large-scale corporate events and also the possibility of staging live performances, either in theatres or festivals. It's difficult to predict when, or even if, activity will return to pre-COVID levels.
- 3.14 But in amongst the challenges there are some opportunities. Some aspects of the Creative and Digital Sector have been performing well through the crisis, specifically around gaming and data visualisation app production. The large food chains that remained open have seen sales rise and likewise the independent food retailers. There also exist opportunities within the visitor economy as the uncertainty around borders mean that people are looking towards UK "staycations" and day-trips for the summer break rather than jetting further afield.

Implications for Greater Brighton Five Year Strategic Priorities

- 3.15 Part of the brief was to assess the Board's Five-Year Strategic Priorities in light of the COVID-19 crisis and where necessary reprioritise to best support economic recovery. The original priorities were reviewed within their themes – International, Creative, Connected, Talented and Resilient. The main suggestions are below;
- International
 - Establish a Global place narrative for the City Region
 - Focus on education, arts, retail and green
 - Target private finance to leverage government capital
 - Use universities and research hubs to attract domestic and international residents into the region.
 - Creative
 - Consider online 'Greater? Brighton presents' singular platform to support creative and cultural economy and 'Pay It Forward' initiatives used in other global cities
 - Green bonds, citizen hackathons and innovative retail incubators (both physical and online) to support independent businesses. Target private finance to leverage government capital
 - Additional support to regional Chambers of Commerce and other institutions to help support business.
 - Connected
 - Expedite the roll-out of full-fibre and use the region as a test-bed for businesses and innovators to develop new ideas
 - Lobby government to ensure the long-standing transport issues are prioritised as part of the capital funding programme to help with the COVID recovery.

- Talented
 - Provide skills support alongside the phasing-out of the Job Retention Scheme to support the transition into new jobs, particularly in the low carbon/clean tech/circular economy sectors, to catalyse a green recovery
 - Focus on groups most impacted by the crisis – young people and women.
- Resilient
 - Consideration of ideas like an Economic Recovery Trust that uses government funds for capital projects (and private sources) to create revenues that can be distributed to at-need groups and help address inequality.

4 ANALYSIS & CONSIDERATION OF OTHER OPTIONS

- 4.1 Hatch were commissioned to provide the research and analysis on which the Board could make informed decisions about how best it could support the economic recovery. The recommendations within the report at Appendix 1 provide a starting point around which the Board can offer leadership. An Action Plan against the recommendations will be developed and will be presented to the Board at the next meeting in October, following engagement with the Board and partners.
- 4.2 There are a number of other options which could be pursued which include a do-nothing approach. Another option would have been to progress development of the recovery plan at a faster pace by not commissioning the research exercise. Neither of these options would have been preferable; the Board does want to be proactive in leading on the regional economic recovery, but research exercise was essential as it will ensure that the Board uses its limited resources on interventions that will deliver the most benefit.

5 COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 As part of the research work Hatch did engage with Board Members and a number of other key stakeholders from across the City Region. The next stage will involve development of a Recovery Plan and will necessitate further consultation with Board Members and other stakeholders.

6 CONCLUSION

- 6.1 Like the rest of the UK economy, COVID-19 will have a significant impact on GVA growth in the Greater Brighton region over the coming year. Using the OBR's methodology to create a coronavirus reference scenario, the figures indicate a loss of 11% in GVA during 2020. The region's estimated year of recovery to achieve pre-COVID GVA levels is 2028.
- 6.2 The initial effects of COVID 19 will be most immediately visible to cash-restrained small businesses and those who will have become unemployed during the crisis. This will have long lasting effects on the region's sectoral make up, and productivity levels.

- 6.3 The Board will have an important role to play in supporting the development of a new economic strategy (feeding into the one that Coast to Capital is leading on), to address the wider systemic economic challenges the region will face and to leverage the region's existing assets in the most economically inclusive way. It will be important to distinguish between the emergency period and the longer-term recovery period when rolling out programmes and interventions.
- 6.4 As part of this strategy, the less visible, but scarring effects of the crisis on individuals and households, and the risk of widening inequality should not be overlooked. To get people back into work, "any support must switch from supporting jobs to supporting individuals" (Centre for Cities).

7 FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 Although there are no direct financial implications from this report it is recommended that an Action Plan be brought back to this board in October, any financial implications of this plan will be reported at that time. This report provides details on the negative impact COVID 19 has had on the UK economy in relation to the GVA and GDP as detailed in paragraphs 3.11 and 3.12 respectively. The report also recognises that Government support for the region has been provided for the economy in the form of employee furlough scheme, business grants and Business Rates financial support.

Finance Officer Consulted: Rob Allen, Principal Accountant
Date: 05.07.20

Legal Implications:

- 7.2 There are no legal implications arising directly from this report

Lawyer Consulted: Joanne Dougnaglo, Senior Property Lawyer
Date: 03.07.20

Equalities Implications:

- 6.4 None directly arising from this report.

Sustainability Implications

- 6.4 None directly arising from this report.

SUPPORTING DOCUMENTATION

Appendices:

1. Greater Brighton COVID-19 Impact Assessment

COVID-19 Impact Assessment

Greater Brighton Economic Board

Final Report – July 2020





Important Notice

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Note about data sources and approach:

The analysis was undertaken between May 25th 2020 and June 17th 2020.

Sources include ONS, Gazette Insolvency data, Google Mobility data and various surveys conducted by GBEB partners. Where applicable, national trends have been applied to the regional level.

Executive Summary

The Greater Brighton Economic Board sits at an important intersection between seven local authorities, businesses and education providers.

The Greater Brighton Region is a prosperous and attractive place to live underpinned by high-value sectors. Like all other parts of the country, COVID will impact the economy significantly: GVA (output) is estimated to shrink by 11% in 2020; youth unemployment will be high as many young people work in retail and tourism; performing and creative arts sectors have been forced into hibernation; and, transport and logistics has seen a mixture of challenges with belly cargo through Gatwick collapsing and export-related transport and logistics companies seeing revenues decline.

There are also many positive stories that signal the Greater Brighton region may be more resilient: the strong advanced manufacturing base has only been marginally hit; the region's strength in pharmaceuticals and medtech has led to revenue growth for many companies; and, the strong gaming development cluster in Brighton and data application development cluster in Crawley have both boomed.

Scenario modelling shows that if the Greater Brighton region doubled GVA growth within 3-5 years, not only would the lost output of 2020 be recovered, but the region would catch up with pre-COVID GVA levels.

The Greater Brighton Economic Board has an important role to play using its convening and lobbying powers. The Board has a wide range of partners including Coast to Capital, Coastal West Sussex and other partners, businesses, arts councils, non for profits and local authorities and is in a pivotal position to draw organisations and people around a few campaigns and creative interventions to support specific clusters.

1. **Greater Brighton Region Presents** online platform/virtual stage to support performing arts, festivals and conferences
2. **High Street Recovery Commission** to convene landlords in hard-hit areas and reimagine the future and coordinate meanwhile uses and independents
3. **Artists Reliance Fund** to coordinate grants and supports for the Region's artists (as opposed to arts orgs)
4. **Green Infrastructure New Deal** to work with partners to present a bold ambition and ask to government

Study Context

The Greater Brighton City Region has an economy worth £21 billion per year, which supports 400,000 jobs across 40,000 businesses. The area is also home to two leading universities, the University of Brighton and the University of Sussex, two international ports, the South Downs National Park and major businesses such as the leading pharmaceutical companies Roche and Glaxo Smith Kline.

The Greater Brighton region is also well-known for its digital, creative and engineering industries. In September 2018, Digital Catapult Brighton became the first 5G testbed in the UK outside of a university setting and has since then been leading on the exploration of new 5G uses for the country.

The wider Coast to Capital region also has a specialised and growing creative sector. Over the 2015-2019 period, the creative and media sector was among the top three sectors generating the most investment in the Coast to Capital area. Investment levels were highest in the Software and Computer Services B2B and Aerospace sectors.

The [Greater Brighton Economic Board](#) has big ambitions for its seven local authorities and business and education ecosystem, and aims to make this area one of the most successful economies in the South East and one of the UK's leading locations for people to live, work and visit.

However, attracting and retaining jobs to the area, while ensuring wider economic prosperity for the region, will depend on the Board's ability to respond to the immediate COVID-19 challenges and to better align its Five-Year Strategic Priorities with the longer-term changes that the COVID-crisis will bring about.

With this in mind, The Board has commissioned Hatch to undertake a COVID-19 Impact Assessment. This focuses on providing an immediate understanding of the challenges, based on the intelligence currently available and an understanding of the composition of the local economy.



Study Approach

In order to fully assess the economic impacts of COVID-19 on the Greater Brighton region, the work is comprised of three sections:

- 1. Overall impacts:** this looks at the impacts of COVID-19 on business activity, people, GVA and the take-up of government support programmes.
- 2. Sector Analyses:** assesses the impact of COVID-19 on the Greater Brighton Economic Board's priority sectors, including the baseline prospects, the current COVID-19 Response, Opportunities and Challenges.
- 3. Five-Year Strategic Priorities:** sets out recommendations for potential COVID-19 recovery activities that could be led by the Board for each of the priorities set out in the Five-Year Strategic Priorities.



Study Geography

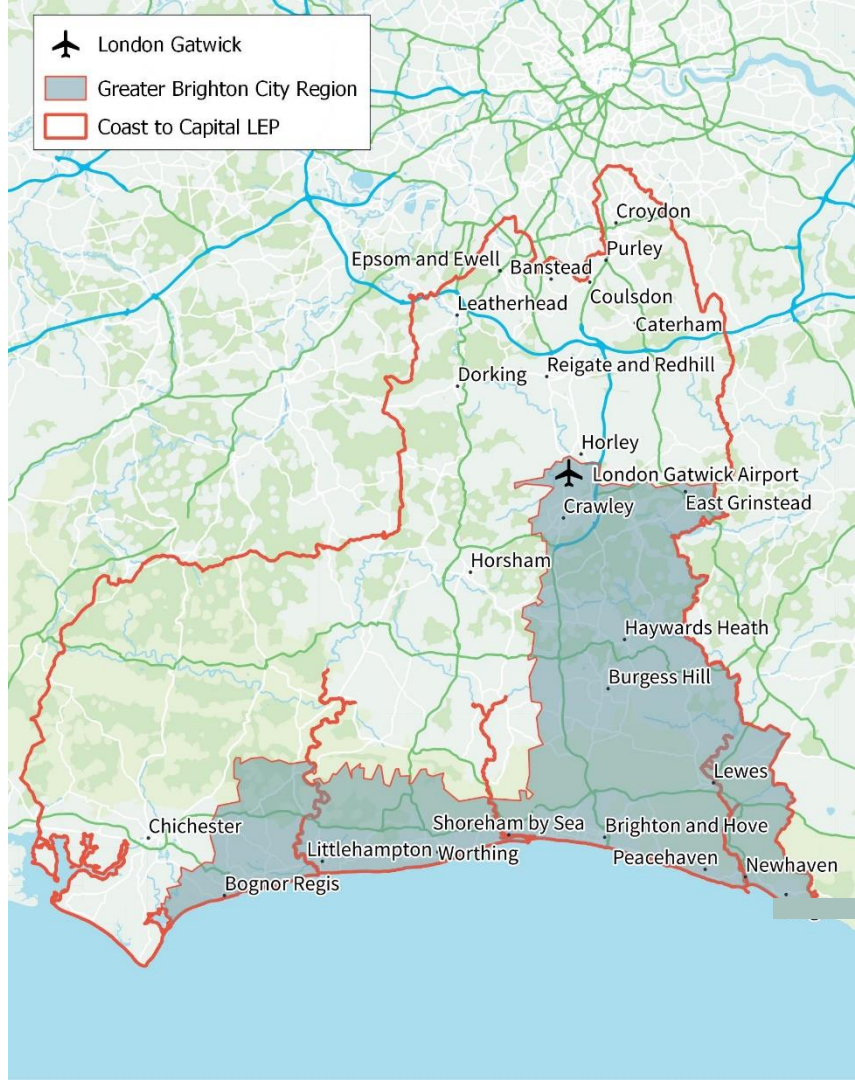
The focus for this study is the Greater Brighton City Region, a functional economic area covering the triangle from Crawley in the north to Seaford in the East and Worthing in the West.

For the purposes of this study the area has been defined in statistical terms by the following seven local authority areas:

1. Adur
2. Arun
3. Brighton and Hove
4. Crawley
5. Lewes
6. Mid Sussex
7. Worthing

Consideration has also been given to the wider geography of the Coast to Capital LEP, given its strategic significance to the economic prospects of the Greater Brighton City Region.

The Greater Brighton City Region is made up of a diverse business base across a wide range of sectors. 50% of jobs in the Coast to Capital LEP area are based in the city region. According to the Greater Brighton Business Survey, 86% of establishments have fewer than ten employees, with 22% having none. Medium and large establishments (50 or more employees) account for 3% of all establishments but employ 44% of the workforce. This is broadly similar to national trends, and emphasises the importance of engaging with smaller businesses during the recovery phase, as they will likely be facing more cash flow constraints than larger employers.



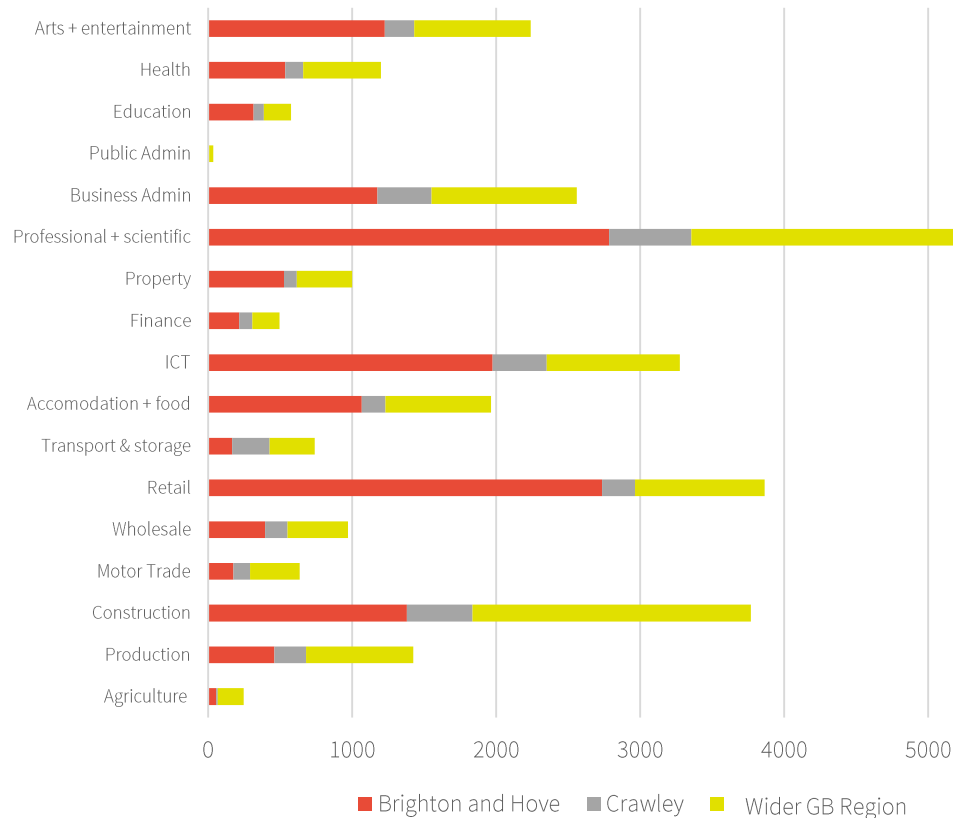


Section 1: Overall Impacts

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This section provides an overview of the economic, business and labour market impacts of COVID across the Greater Brighton region. It uses a range of sources including official government statistics, COVID surveys and some real-time data to provide as current a picture as is possible.

Sectoral distribution of firms in Greater Brighton Region, 2019



Greater Brighton City Region has a unique sectoral mix with some fragility

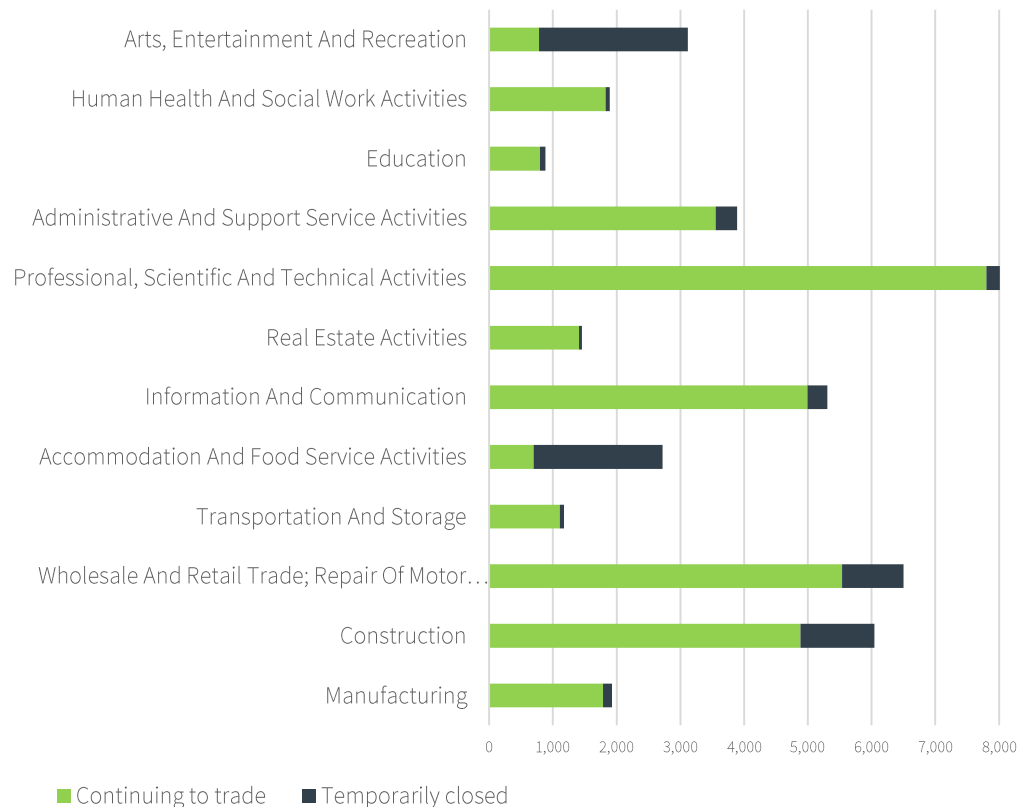
The Greater Brighton City Region (GBCR) has a buoyant economy that has experienced significant growth. During the last five years, real GVA has grown by 4.2% and an estimated 5k firms have been created or have relocated into the region.

The sectoral mix is unique and there are higher Location Quotients for Professional, Scientific and Technical businesses and jobs, and similarly in the arts and entertainments. This reflects the fact the City Region has a higher than average professional base, of whom about 1/3 commute into London and the South East. People choose to live in the City Region because of the high quality of life and emphasis on culture, the arts and the outdoors.

The flip-side of this is that about 80% of all firms have less than 4 staff, with 22% employing no staff. And in contrast to the rest of the country those small businesses have lower than average turnovers with 33% of businesses reaching turnover of less than £49k (compared to 15% nationally); 22% reaching turnover of £50k-99k (against 23% nationally); and 21% reaching turnover of £100k-£240k (against 32% nationally).

This is a double edged sword as it is these small businesses that give the City Region its character, but many will face greater COVID-related challenges and this creates economic fragility.

Estimated temporary closure of GBCR businesses by sector



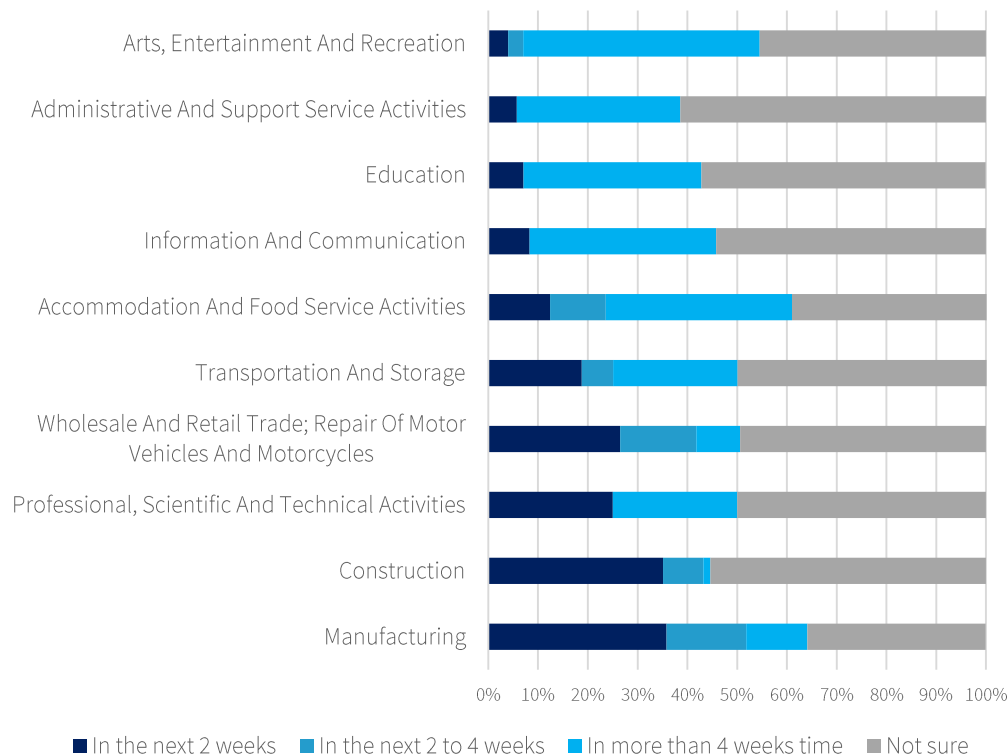
An estimated 7.7k businesses in GBCR have temporarily closed

The ONS has been running regular surveys on the trading activities of businesses nationally. The data has not yet been released on a geographic basis but is cut by sector. As the Greater Brighton City Region broadly reflects a similar sectoral make-up, in order to estimate the number of businesses that have ceased trading in the City Region, the national rates have been applied.

Using this approach it is estimated that 22% of the total GBCR business base has suspended trading activity since the outset of COVID. The impact has been particularly acute for the arts and entertainment sector (estimated 2.3k businesses closed), retail (1k businesses closed), accommodation and food services (2k businesses closed) and construction, much of which is based in Crawley (1.2k businesses closed).

These estimates are supported by anecdotal data. All major festivals and events including the Brighton Festival, Brighton Fringe, The Great Escape and Pride have all been cancelled impacting not just festival organisers, but the surrounding hospitality ecosystem. Retail from large chains to the small independent retailers in The Lanes and throughout the region's small towns have remained closed.

Plans to reopen - businesses that have stopped trading

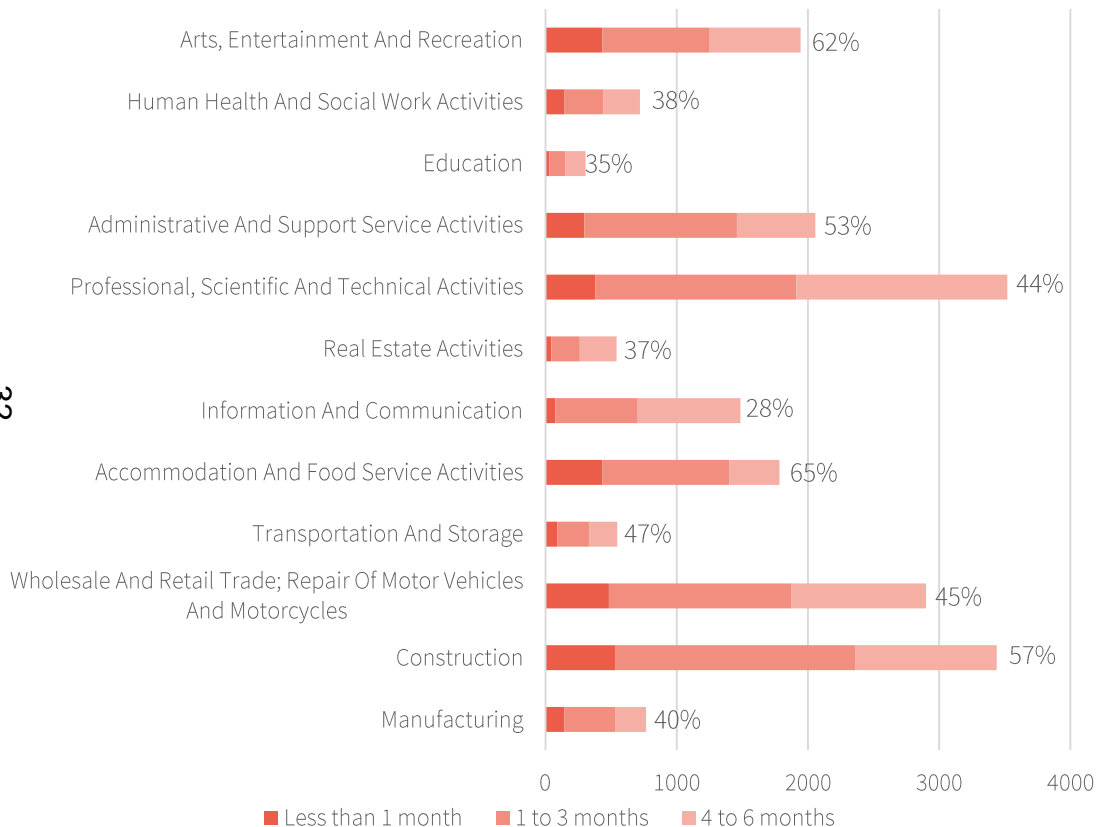


Half (3.4k) of all temporarily closed businesses plan to reopen over the coming month

Now the government has begun to release more information on the lockdown easing and social distancing measures required of different sectors, about half of all businesses that temporarily closed are planning to reopen. These are national figures. Sectors such as manufacturing, construction and office-based jobs are putting measures in place to enable operations to recommence.

However the Greater Brighton City Region may have a smaller proportion of businesses planning to reopen as sectors including the arts and entertainments and education are still not in a position to reopen for business. In addition about half of all businesses do not know when they will reopen and this is for a variety of reasons including a collapse in demand for services and /or products, operations where social distancing is not possible or in some cases due to financial hardships that make it difficult to determine whether the business will still be operating in several months time.

GBCR Business Base's Cash Reserves



Just under half of all GBCR businesses have six months or less of cash reserves

The ONS has started to survey businesses on cash reserve positions. This is national data cut by sector. To estimate the proportion of businesses in the GBCR that currently are, or are likely to experience cash flow issues, the sectoral survey results have been applied to the GBCR business base.

This analysis indicates that about 3k businesses have less than one month of cash and are therefore likely to go insolvent. An estimated 9k businesses have cash reserves to last between one and three months. Businesses in sectors such as construction, manufacturing, food delivery and real estate will have a greater likelihood of survival as those sectors are likely to exit lockdown over the next few weeks. However sectors like education, some retail and the arts are unlikely to see a resumption of trade and therefore the low cash positions put many businesses in these sectors in jeopardy.

On this basis it is estimated that 62% of all arts and entertainment businesses have six months or less of cash reserves; 65% of accommodation and food services.

The challenge for these businesses will be to find alternative ways to operate quickly to drive revenue.

Corporate insolvencies and liquidations, May 2020

Name	Sector	Location
AN8 Systems	ICT	Brighton
Dernier + Hamlyn Holdings	Manufacturing	Brighton
Red Flag Recruitment	Business Admin	Brighton
Your Coachman	Manufacturing	Brighton
QA Business Services	Business Admin	Brighton
TG Engineering Ltd	Professional	Brighton
Janalysis Consulting	ICT	Brighton
Danex Limited	Real Estate	Brighton
Inkpod	Professional	Haywards Heath
Rodney Warren & Co	Professional	Brighton
Radford Group	Construction	Hove
Quilan Limited	Professional	Brighton
Hardings Event Management	Accommodation and Food	Brighton
Good Harvest Properties	Real Estate	Crawley

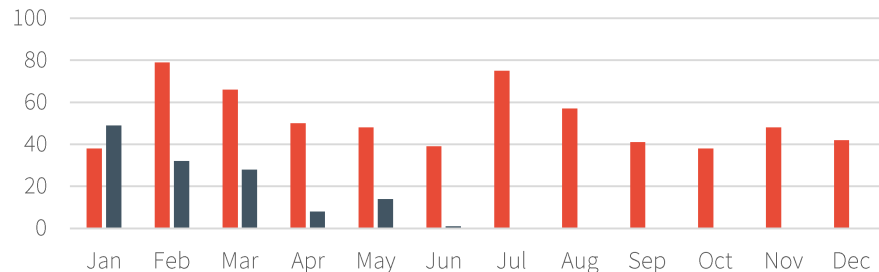
Corporate insolvencies are increasing in volume

On average between 3-5 GBCR businesses a month are declared insolvent. During the month of May, 19 businesses were declared insolvent or liquidated. As the liquidation process has a lead time of several weeks, this is likely the tip of the iceberg and many of the businesses that filed in May were already in financial jeopardy.

The majority of insolvent businesses were located in Brighton. Many of the businesses were focused on consultancy activities (ICT, business growth, business strategy) and likely saw a downturn in activity and clients as COVID became an increasing issue in February and March.

Several companies were in the real estate development, lettings and property management space. Property companies are notorious for holding little residual cash on balance sheets and should the commercial and residential property markets begin to falter, more property-related businesses will inevitably fail.

Total GBCR commercial real estate transactions (Number of completed sales and leases per month)

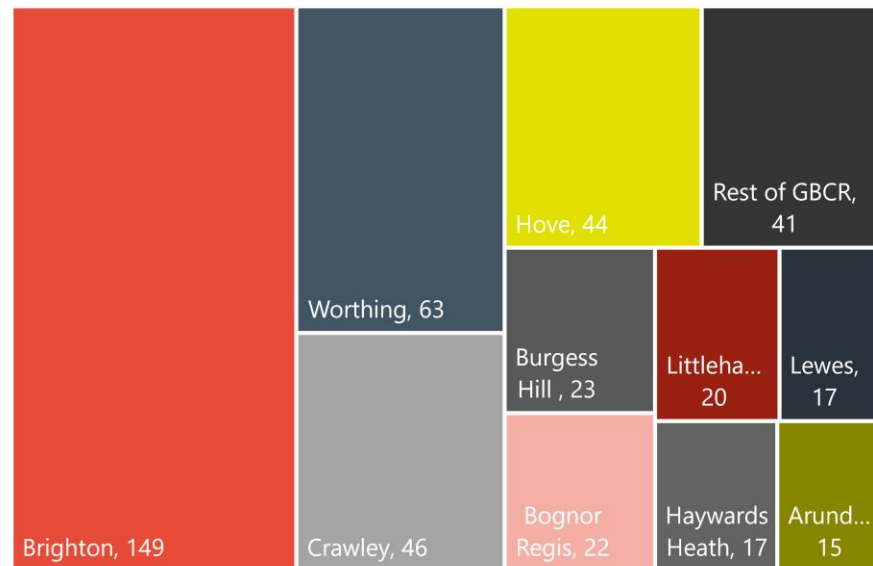


Source: CoStar, Hatch analysis ■ 2019 ■ 2020

The commercial property market began the year strongly with a bumper January with an increase in year on year transactions. Many attributed this to the General Election and greater clarity on Brexit approach, which enabled businesses to take investment decisions, including in new property and leases.

According to RICS, both investors and occupiers are increasingly nervous with the retail property market the most depressed; in the coming months the office market is expected to fall as well as businesses forgo new office leases in favour of informal workspaces or formalized home working.

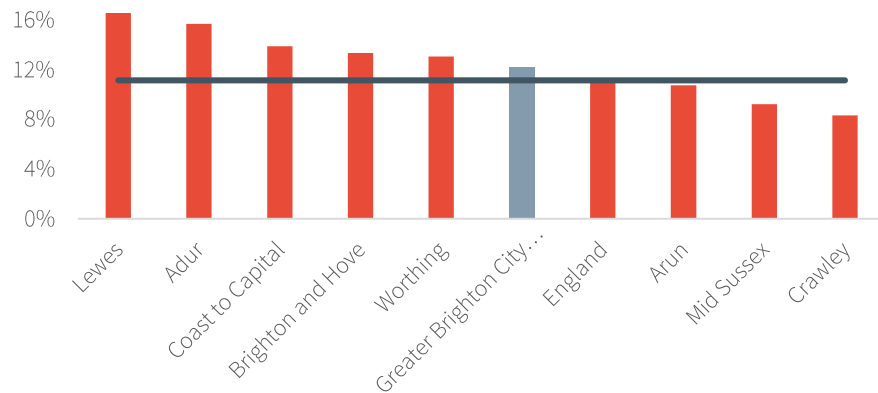
Geographic distribution of 2019 leases (Number of completed leases in calendar year 2019)



This will have a significant impact on Brighton and Hove as 42% of all leases executed last year were in Brighton & Hove with approximately 40% on retail space and 40% on office leases.

The majority of Worthing's new leases were executed on retail properties whereas in Crawley almost all leases signed were for industrial buildings and offices.

% of 16-64 who are self-employed, 2019



While the Greater Brighton City Region's unemployment rate (3.5%) is generally lower than the national average of 4%, the region has an above-average rate of self-employed people.

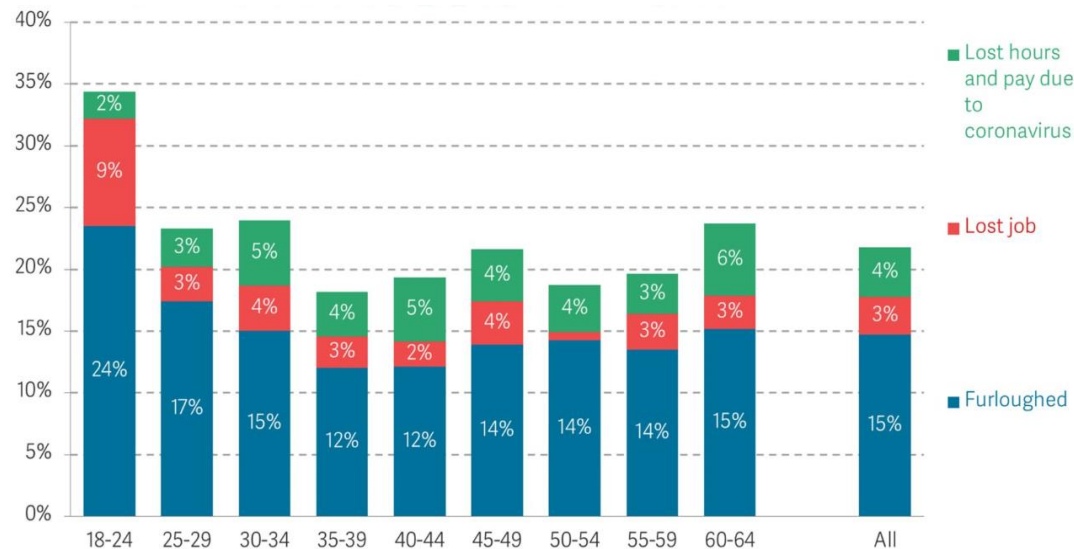
The risk that self-employed people face during COVID-19 has received a lot of attention over the past few months. Those who are self-employed are more likely to find themselves in a precarious situation as a result of the crisis, and stand to lose almost two-thirds of their current earnings.

The wider impact of unemployment across the region can also be seen in the rising number of people claiming Jobseeker's Allowance and Universal Credit. Across the Greater Brighton City Region, this has increased from 1.9% to 2.3% (+0.4) of the resident population aged 16-64, with younger people (16-34 years) accounting for the majority of those claiming benefits(43%).

Claimants as a proportion of residents aged 16-64

Geography	Claimant Count, March 2020	Claimant Count, April 2020	PP Change April 2019-2020	PP Change March-April 2020
Adur	2%	4.4%	+0.4%	+2.1%
Arun	2%	5.0%	+0.4%	+2.6%
Brighton and Hove	3%	5.0%	+0.4%	+2.2%
Crawley	3%	4.8%	+0.7%	+2.0%
Lewes	2%	4.6%	+0.6%	+2.2%
Mid Sussex	1%	2.5%	+0.2%	+1.4%
Worthing	3%	4.5%	+0.4%	+2.0%
Greater Brighton City Region	2%	4.4%	+0.4%	+2.1%
Coast to Capital	3%	4.4%	+0.4%	+1.9%
England	3%	5.0%	+0.4%	+2.0%

Generational impacts of COVID



Source: Hatch analysis of YouGov data

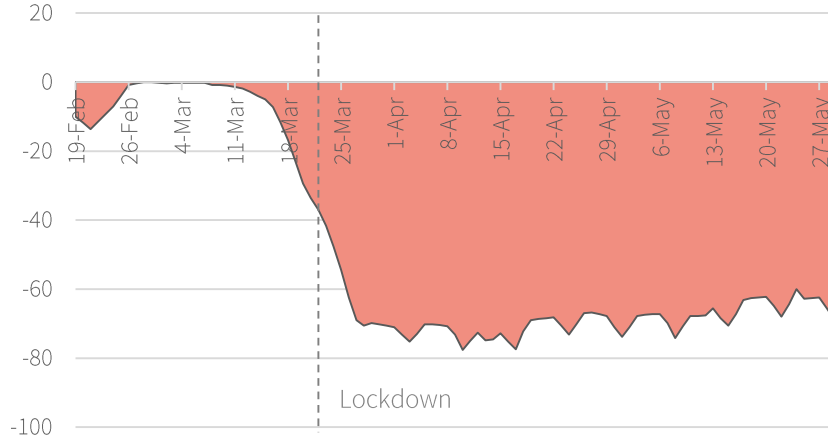
The large proportion of 18-24-year-olds on furlough and who have lost their main job is particularly worrying because many are at the beginning of their careers. This is compounded by the fact many younger people work in the sectors that have signaled that once the furlough scheme is wound-down, redundancies are likely to follow.

Many young people require part-time jobs in order to finance HE and FE degrees.

One of the most concerning factors has been the reduction in apprenticeship positions with some apprentices losing their position just months before the completion of training.

Research undertaken by the Resolution Foundation has shown that young people who have recently left education and have recently entered, or are about to enter the labour market are more susceptible to long-term employment and pay scarring.

GBEB Workplace Mobility

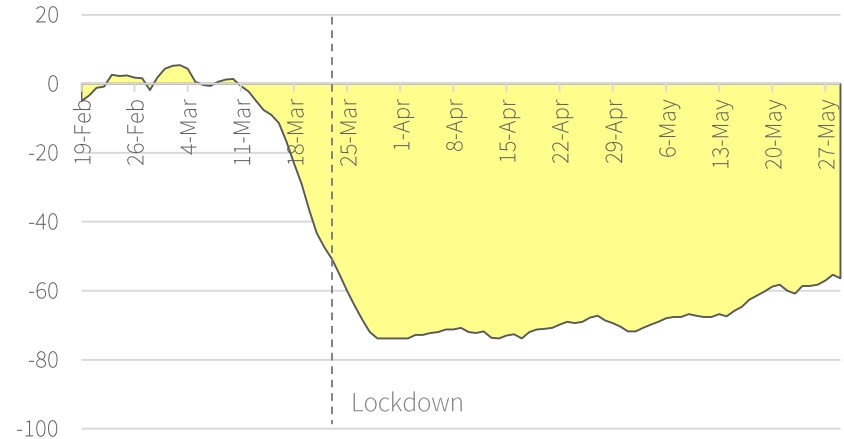


Source: Google Mobility data, Hatch analysis

Google have released mobility data that records numbers of using location proxies including workplaces, transit stations, non-essential retailers and essential retailers. The mobility statistics are measured against a baseline of 0, which is a measure of average volumes for the day in the pre-COVID period.

This chart shows an average of 70% decline in people at their workplaces in the weeks since lockdown. The residual 30% are most likely made up of key workers in the health sector, retail, logistics, storage and transport. The trend is beginning to move upwards indicating that some people are beginning to return to work.

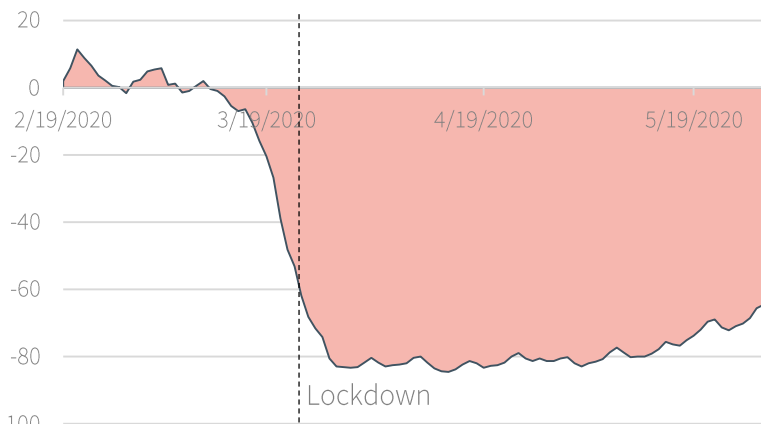
GBEB Transit Station Mobility



Source: Google Mobility data, Hatch analysis

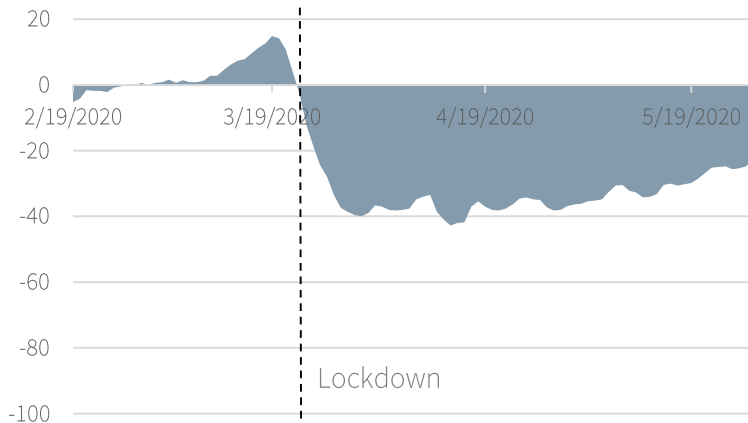
Not surprisingly, the picture for usage of transit stations is a close to mirror image of the workplace statistics. It is notable that there has been a sharper recovery in the last period of May, which indicates that people may be moving around the region more, but not necessarily returning to workplaces. This most likely reflects the slight easing of lockdown measures with people travelling to visit families and friends when the social distancing easing was put in place.

GBEB Retail Mobility



Source: Google Mobility data, Hatch analysis

GBEB Grocery and Pharmacy Mobility



Source: Google Mobility data, Hatch analysis

The decline in non-essential retail has been more stark. In the early days of lockdown there was an 80% decline. This will be an important metric to watch over the coming weeks to gauge recovery since non-essential shops have been allowed to reopen. Given the large base of independent retailers in the Greater Brighton region, ensuring traffic into these stores will be critical as the retail sector is a significant share of the GVA base. (Discussed in later slides). It is also worth noting that many retailers faced a rent payment date on the 24th June with the Government's commitment to ensuring businesses cannot be made insolvent as a result of rent arrears expiring on 30th June. Many retailers have spoken of a 'rent armageddon' as many will owe the 2nd quarter of rent during the 3rd and 4th quarters essentially doubling rent owed.

Whilst grocery stores and pharmacies have been allowed to continue to trade, there has been a decline in the number of visits, down almost 40%. However, many families and individuals have reduced the number of visits, but increased spend per visit.

Proportion of businesses using government initiatives by sector, May 2020



Government Support Take-Up

The British Chambers of Commerce Coronavirus Business Impacts Tracker is the UK's largest independent business survey tracking economic conditions on a weekly basis. The latest survey tracked collected data between 13 – 15 May 2020 and provides insight into how businesses have used financial support schemes from the government:

- 70% of firms had used the Coronavirus Job Retention scheme and 85% of those who have applied received payment.
- 59% of firms had no plans to apply for government bounce back loan scheme. 25% of firms who applied were successful in securing the loan.
- 50% of firms had three months cash flow in reserve or less. 6% have no cash reserve in place.

The Sussex Chamber of Commerce also conducted a survey of businesses to track economic conditions of businesses based in Sussex, Hampshire and Surrey. Findings include:

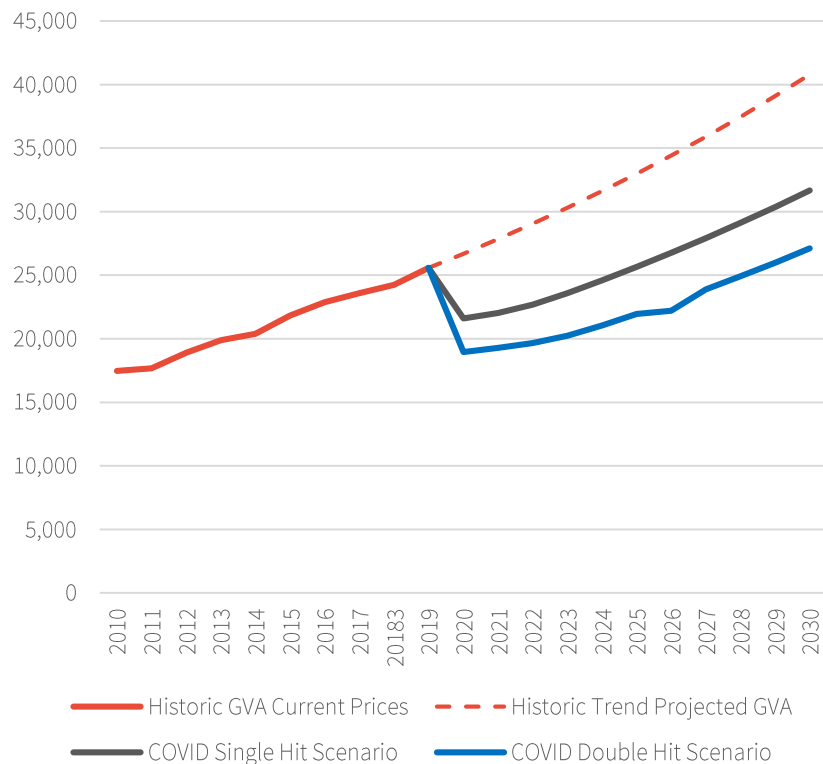
- 66% of businesses intended to use the coronavirus job retention scheme
- 53% of respondents had already furloughed some of their staff
- 15% of respondents had furloughed all of their staff.

Data from the BICS survey also shows the proportion of businesses that are accessing government support initiatives across different sectors. This is outlined in the table above.

The data shows a number of trends, including:

- There are big variations in the proportion of businesses using the Coronavirus Job Retention Scheme across sectors. For example, almost all accommodation and food businesses have accessed the scheme compared to under half of digital businesses.
- Uptake of the business rates holiday initiative has been notably higher among sectors with public facing high street businesses compared to commercial businesses.
- Aside from the public sector, the digital sector has the highest proportion (over a quarter) of businesses that have not applied for any government initiatives.

GBCR GVA Impact of COVID Estimates (£mns in 2020 prices)



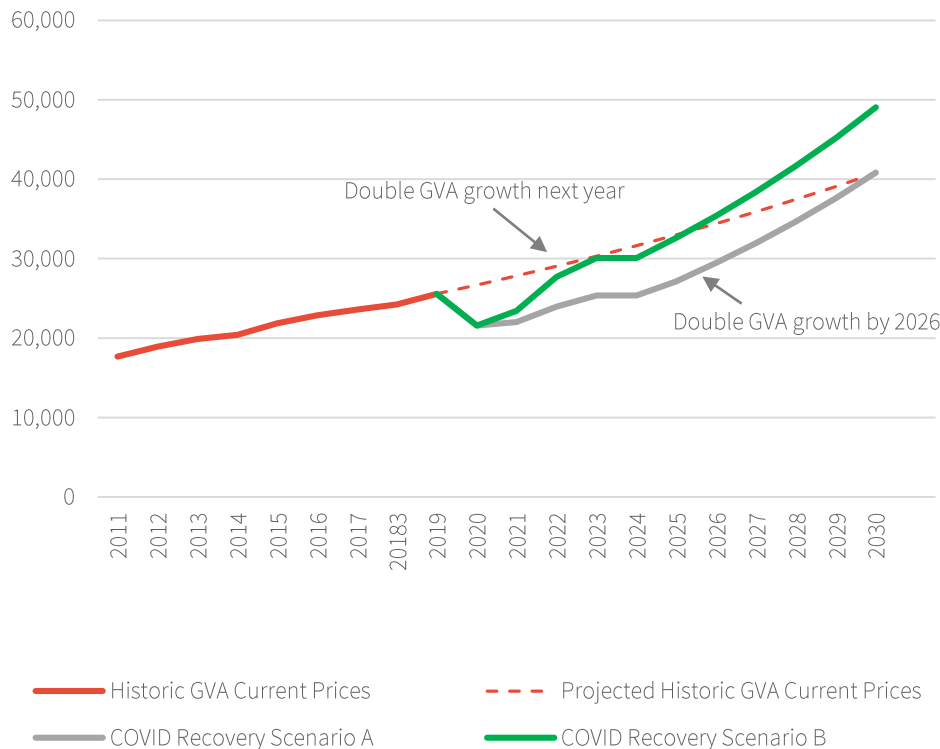
At this stage in the COVID cycle it is not possible to forecast the impact on GVA with any precision; there are simply too many unknowable factors. External estimates of the year on year impact of COVID-19 on GDP have ranged from a drop of 2.1% (KPMG) to a drop of 30% (Morgan Stanley). The release of GVA data for April shows a 20% decline in month, so the in-year figure is now likely to be higher.

For the purposes of providing a central estimate of the impacts on GBCR, we have used OBR and OECD figures to produce a coronavirus reference scenario.

Using this methodology, we have built a model that uses the OBR's initial sectoral impact estimates for Q2 2020 and rolled the loss rates out for four quarters on a decreasing basis to reflect the likely path of recovery. We have taken this approach to reflect the U-shaped recovery that most economists are now predicting. We have also added a second scenario that reflects the likely impacts of a second lockdown event. Given the recent events in Leicester, this is now looking possible. To determine future GVA growth rates we have used the OBR's regional GVA Projection for the region.

Using this methodology, the estimates show the GBEB region is likely to have a 16% loss of GVA in 2020 (against a national average of 13%) for the single lock-down scenario and a loss of 26% for the double lock-down scenario.

GBCR GVA COVID Recovery Scenarios (£mns in 2020 prices)

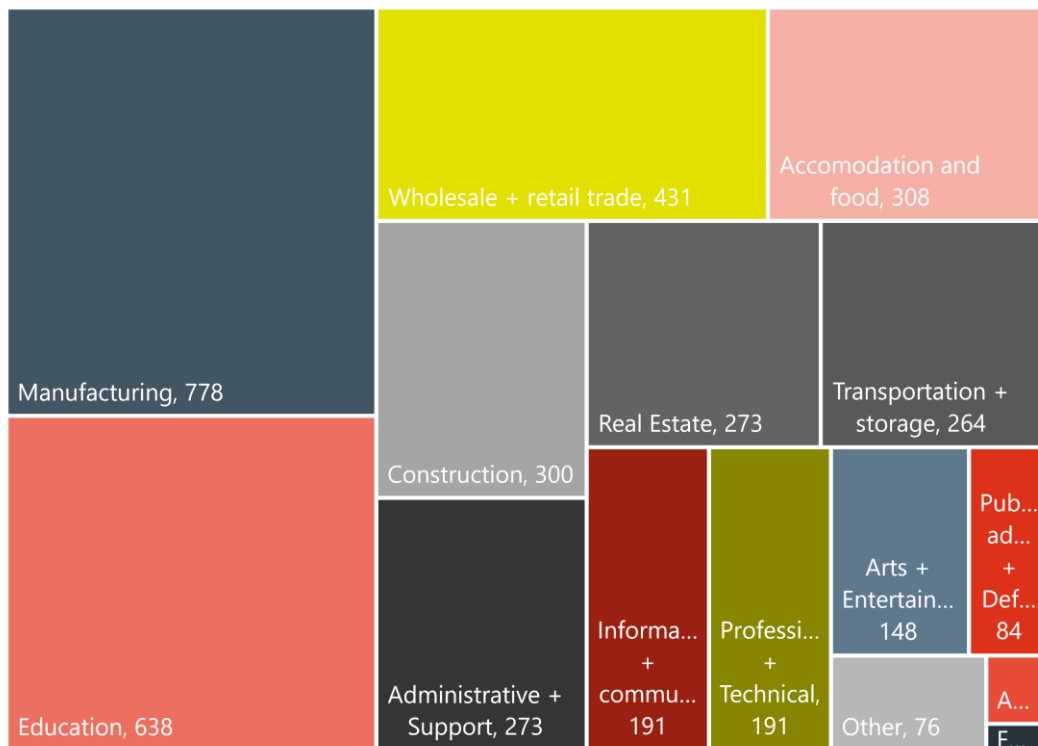


To provide an estimate of the GVA growth rate required across the region to recover, we have modelled the trajectory of the historic growth rate (4.2% over the last 9 years in 2020 prices) to show the trend in a pre-COVID world. In order to rejoin the same growth trajectory by 2023, the region would need to double that historic growth rate to 8.4% next year. To return to the same trajectory by 2030 would require a doubling of GVA by 2026.

These are not forecasts, but give an indication of the growth rates required to both make-up for the 2020 GVA loss and return to similar growth rates. This means that sectors and businesses will need to be supported not just to recover, but to find new and innovative ways of producing output and increasing productivity.

At the same time it will be important for The Board to recover sectors like retail, food and accommodation that may not contribute as much GVA as sectors like manufacturing, but are critical to the identity and culture of the region. Property websites like Zoopla have seen an increase in people searching for homes across the region, which is a likely acceleration of the London-exit. Ensuring the identify and unique parts of the region are recovered quickly will be an important part of a medium term plan to attract more talent out of cities like London.

Total value of sectoral losses, Base Scenario, COVID Single Hit (£mns in 2020 prices)

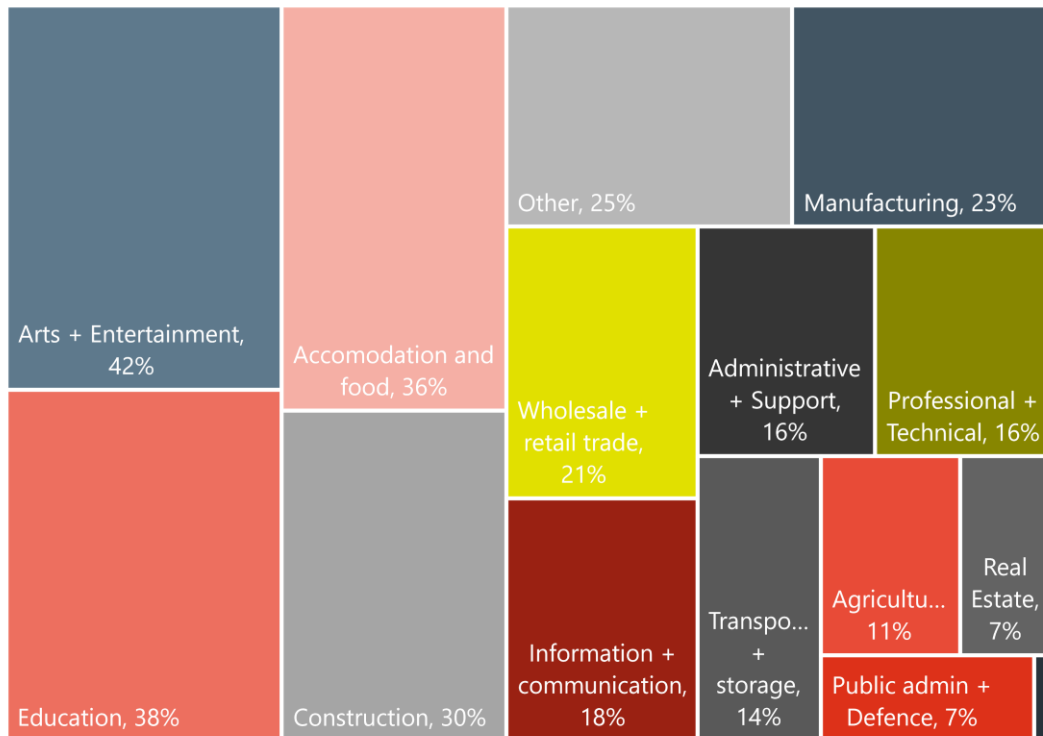


In value terms, the greatest sectoral loss will be on manufacturing at £778mn. However, many manufacturing businesses are returning to work with production lines changed to ensure social distancing. Many are therefore predicting that this loss will be temporary with demand recovering to pre-COVID levels quickly.

Of greater concern is the large sectoral loss in education, which is related to HE, FE and private educational institutions like language schools. Universities and schools are doing much to adapt and prepare for next year, however, surveys and discussions with educational bodies across the region indicate that that international students are unlikely to attend next year, which will have a significant impact on the sector and the multiplier effect of spending across the region.

As discussed earlier, the impact on retail has also been large. Further in our recommendations we set out some measures to help the independent sector specifically.

Total % change of sectoral losses, Base Scenario, COVID Single Hit (% change 2019/2020)



On a proportional basis, the sector experiencing by far the greatest loss (% GVA loss 2019/2020) is arts and entertainment. This is an issue across the country but given the GBCR's strong reputation it will be important to support this sector in both the short and medium term.

Accommodation and food has taken a similarly large hit and given the independent nature of much of the regional offering, a coordinated effort to provide support would be helpful.

Many construction sites suspended work a couple of weeks into the lockdown, but are now resuming work and therefore this loss should be recoverable at a quicker rate.

There will be a balance between supporting the sectors that have experienced the greatest £mn loss and will therefore drive GVA growth and those that have experienced a large proportional loss (but not necessarily high £mn), but that contribute much to the character of the region.

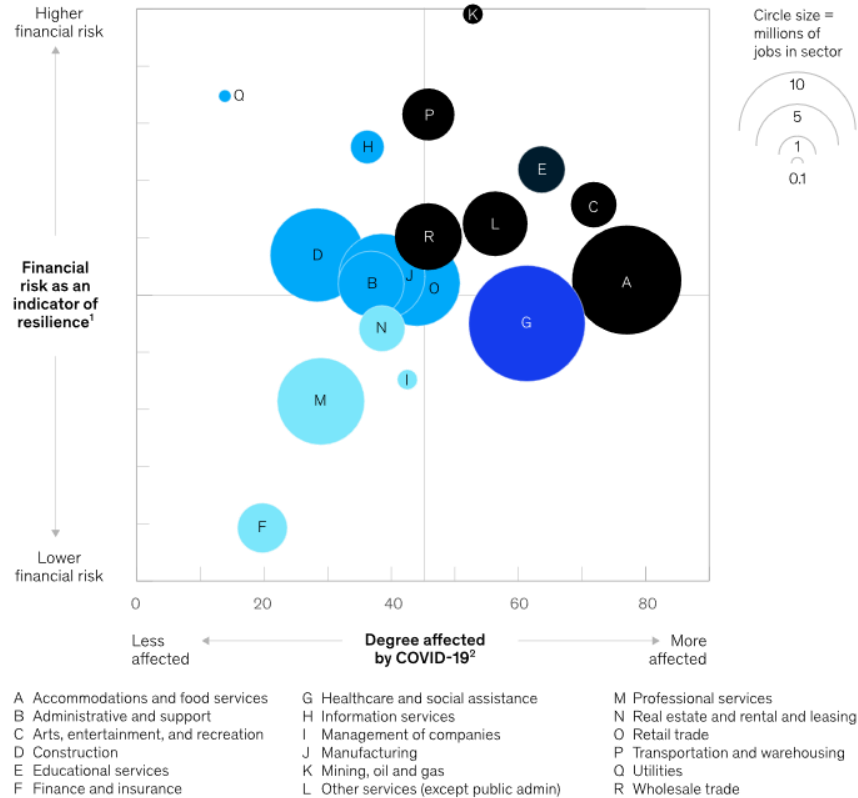


Section 2: Sector Analyses

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This section provides an overview of the impacts of COVID on different sectors and specific business clusters within those sectors that have a strong presence in the Greater Brighton region. For each sector there are a number of short and medium term challenges, but also many opportunities with a good number of clusters benefiting directly from the COVID crisis.

Sectoral Impacts (based on survey data)



¹Based on profitability, credit risk, and use of retained earnings.

²Based on US Census Bureau pulse survey of small and medium-sized businesses.

Source: Statistics of US Businesses, 2017; Federal Reserve Banks' Small Business Credit Survey, 2019; Annual Business Survey, 2018; Census Bureau Small Business Pulse Survey Week 4, 2020; Labor CUBE

National statistics define sectors very widely and these wide definitions mask the complexity and variations between business clusters that sit in a given sector. The left-hand chart shows a mapping of high-level sectoral impacts. However, the impact of COVID-19 within clusters is more nuanced as different clusters within sectors behave differently.

As discussed in the earlier slides, for the Greater Brighton region to make up lost 2020 GVA and recover back to its pre-COVID growth trajectory within 10 years, it will require a doubling of GVA growth by 2026. At the outset of the crisis the OBR and Bank of England indicated they believed pent-up consumer and commercial demand would drive up GVA growth in 2021/22 and this uptick would apply equally across the country. In the weeks since, it has become clear that significant scarring has and is likely to continue to occur and many businesses will never reopen or recover.

For the Greater Brighton region to achieve a doubling of GVA growth in the coming years, tactical and pragmatic support will need to given to specific business clusters. Some may require to hold-on during the next few months. Others may not have been as deeply impacted by COVID-19 and support to help these companies innovate, drive-up productivity and create new products will help the region. To help assess the impact on the Greater Brighton region, an assessment of the area's clusters follows. More detailed sector assessments are included in the Annex.

Creative, Arts and Digital Impact

- **Live Performance and Festivals:** facing ongoing difficulties and likely to continue over the next 4 quarters – 50% of all jobs expected to be lost
- **Galleries and creative arts spaces:** facing ongoing difficulties. Some businesses have been able to access govt schemes, however many freelance artists cannot.
- **Film, TV and radio production:** Greater Brighton has been a popular destination. 42% of all associated jobs expected to be lost.

- **Online gaming:** significant growth during lockdown. Businesses include Studio Gobo, MAG Interactice, Hi-Rez Studios, 2K Games and Sumo Digital
- **Data visualisation apps.** Agile App and Co. Growing cluster in Crawley

The lockdown has had a profound impact on the areas in Greater Brighton region's creative sector that depend on physical interaction. Some galleries and creative arts spaces will be able to open on 4th July, many will not be able to reopen as lockdown eases due to size restrictions and financial insolvency.

The cancellation of festivals has in particular hit the region hard and the ripple effect on the small businesses that supply these festivals, from marketing firms to food and beverage suppliers, has been acutely difficult. Many laid out significant costs in preparation for the season. Formal performances such as theatre adapted quickly and taken advantage of online platforms (such as streaming). While these activities help build community spirit, they don't help finances.

The Greater Brighton region is known for its creative and artistic business and resident base; retaining the character of the area and its residents will be important as different regions compete for new residents over the coming years.

The Greater Brighton region is also home to a significant cluster of online gaming development companies. Most of these companies have grown online presence, products and revenues significantly during the period of lockdown and will continue to. Some have found it difficult to secure staff with the right skills and enough computational power to programme during the lockdown. Data visualisation companies, of which there are several in the region, have also experienced the same constraints as new clients, many in the health sector, require support to model and visualise complex data sets.

High Street Impact

- **Leveraged retail 'chains'** : Likely to be greater as PE-backed firms continue to go insolvent
- **Concept food chains**: Likely to be greater as many entered into leases in new developments and have high fixed real estate costs and are funded by debt
- **Independent retailers**: Lockdown period has put many businesses in jeopardy as often have limited cash reserves

- **Independent food**: greater likelihood of bouncing back, but require support from 'rent armageddon' in Q3 and Q4 2020
- **Fast food chains**: Fast food chains more likely to recover as have the operational skills to adjust to social distancing protocols

The survival of high street businesses will be heavily influenced by the speed at which businesses can adapt to social distancing measures and can open, and the spending power of local residents in the next few months. With that said, there are patterns emerging.

Early signals are that high street businesses likelihood of survival is less linked to the individual retail sector they are in (e.g. children's clothes) but a function of leverage. Many national retail chains and 'concept casual dining' chains (e.g. Byron, Las Iguanas, Ask, Zizzi) have funded expansion into town centres using private equity and competed against each other for locations. As a result leases have been entered into at the height of the market; a number have already failed and once the government's furloughing scheme comes to an end more are likely to. At the opposite end of the spectrum many independent retailers are less likely to survive as three-months without income and the upcoming 'rent Armageddon' in Q3 and Q4 2020 may push many under as they required to also repay Q2 2020 deferred rent.

The independent food sector is proving to be more resilient with individual proprietors finding creative and innovative ways to provide food for take-away and home delivery. There has also been an upswing in consumer demand for food and drink from independent businesses, a trend that has been accelerated by the COVID-19 crisis, and that can be built on.

Fast food chains are also likely to survive as many chains either directly own the sites on which they operate and have sufficient cash reserves to make operational changes to accommodate social distancing. Franchisees appear to have been provided support by parent companies.

Tourism Impact

- **Business and large conferences:** Likely to be greater as PE-backed firms continue to go insolvent
- **BIDs and tourism support groups:** Likely to be greater as many entered into leases in new developments and have high fixed real estate costs and are funded by debt
- **International flights:** Lockdown period has put many businesses in jeopardy as often have limited cash reserves

- **UK Staycations:** greater likelihood of bouncing back, but require support from 'rent armageddon' in Q3 and Q4 2020
- **Day Trippers:** Post lockdown an increase in day trips are expected across the country

Over the summer period, much of the tourism across the Greater Brighton region is linked to major events and festivals such as Pride, the Fringe and the Arts Festival, all of which have been cancelled or postponed. As a result it was estimated that tourism was down across the region by 90% in April.

Looking forward it is likely that business and political conferences that are frequently held in the region may be postponed or cancelled for up to two years. For instance the Geneva Motor Show recently cancelled their 2021 event. Gatwick Airport has estimated it could take between four to ten years for international slot traffic to return to previous levels which suggests that the decline in international tourists will be depressed for a long period. However, as the region is more dependent on domestic visitors, this could help the tourism sector to recover more quickly.

Countries further along the COVID-19 curve, such as Australia and New Zealand, saw that in the weeks post-lockdown 50% of the population made arrangements for short overnight trips, with the majority aiming for seaside towns. In the last few weekends a large number of day trippers have travelled to the south coast, which reflects this pattern. There will be a challenge to ensure large inflows of tourists maintain social distancing whilst also encouraging people to use newly opened restaurants, bars and shops.

Education Impact

- **HE Sector:** numbers of international students are likely to be decreased for academic year 2020. Some fears that domestic places will also be lower.
- **Private institutions:** Private language schools and those that target international students are likely to be hit with related GVA spending also reduced.
- **Apprenticeships:** Risk that apprenticeship opportunities will reduce with some apprentices losing placements months from achieving qualifications.

- **FE Sector:** significant opportunity as many people who have lost jobs in retail and other hard-hit sectors look to retrain. Chance to develop online programmes with particular focus on coding and data analysis, two of the regions strengths.

The Greater Brighton region is more exposed to the economic impacts of COVID-19 on the education sector as it is home to two world-leading universities: Brighton and Sussex. For both universities, like many across the country, international students are an important source of income. It is unlikely that international students will be able to take-up places in UK HE institutions this September, especially students from Asia: the International English Language Testing System (IELTS) exams (a pre-condition for attendance) have not been rescheduled, UK visa offices remain closed in most countries and international flights may not have resumed. In addition, many students will choose not to relocate to another country during a period of such heightened uncertainty. Many of these same issues apply to private language schools and preparatory schools. This could be compounded by a decline in university take-up by domestic students who choose to defer their first year.

The apprenticeship sector has also been greatly impacted: new apprenticeship places have disappeared with large employers like Rolls Royce, Boeing and Glaxo all suspending new apprenticeship places. There is a particular risk to young people who are partly through an apprenticeship and find the sponsoring employer either going insolvent or suspending the programme weeks or months away from a qualification.

In the medium and longer term there will be a large opportunity for the FE and other educational sectors to help reskill and retrain people as unemployment increases.

Transport and Logistics Impact (including Aviation)

- **International Freight:** Decline in exports of non-essential goods and cars with knock-on effect on transport and logistics companies.
- **Small Ports:** Increasingly being bypassed by mega-vessels and this pattern is likely to hold post-Brexit.
- **Domestic Haulage (non-essential):** Sharp fall in demand and growing issue with warehousing
- **Belly Cargo Freight:** Suspension of flights in and out of Gatwick has impacted pharmaceuticals and medtech logistics

- **Food Industry Haulage and Logistics:** Significant growth over the last few months and forecast to continue.
- **Rail Freight:** Internationally has been an increase in usage of rail freight in place of belly cargo

COVID-19 has a mixed impact on transport and logistics and the impact on Greater Brighton mirrors this. Transport and logistics businesses related to the export of non-essential goods have seen a sharp drop-off of activity. In Manor Royal Business Park, 40% of logistics companies have experienced a dramatic drop in revenues and the majority of these companies are linked to exports. This is likely to continue in the medium term as international consumer demand for non-essential UK goods and the cost of exporting increases. In the last few weeks international freight costs have increased from \$1.5-4.5/kg to \$7-8/kg. The spike is related to China's return to manufacturing and the diminished belly cargo capacity as there are few international flights. In addition many mega-vessels are now bypassing smaller ports in order to speed up deliveries. There is a risk that this pattern may hold post-Brexit.

Gatwick Airport has indicated that it will take years to return to the same volume of flights and this has a consequential impact on belly cargo capacity in the region. As many pharmaceutical companies and med-tech companies are based in the region (and who prefer belly cargo to freight for speed) an in-region alternative would be helpful.

Transport and logistics companies linked to food distribution to retailers, hospitals and key services have seen surges in demand and have increased revenues and this is expected to continue.

There is also a growing opportunity in rail freight and this is an area the region may wish to consider in lieu of belly cargo and the increasing cost of freight.

+ Section 3: Five Year Strategic Priorities

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This section focused on four of the strategic priorities. The talent section has been omitted as until the longer term cycle of coronavirus and associated quarantining rules are determined, it will be difficult to compete for new global residents. Training and upskilling will undoubtedly be an important priority, but recommendations should be shaped once a fuller picture of unemployment patterns merge in the post-furlough period from October 2020 onwards.

Priority	Objective	Commentary
International	Build an international profile with strong and relevant supporting messaging	This will be particularly important in relation to the University of Brighton and the University of Sussex, who will need to convince overseas applicants. Doubling down on efforts to establish international partnerships with universities around the world will play an important role in ensuring that they still attract and retain skilled international talent within the region. However, there is also an opportunity to pivot the university's focus onto a more locally-specific research agenda, especially as part of the COVID-19 socio-economic recovery.
	Establishment of an inward investment proposition, maximising potential of international gateways	The region has strong emerging positions in the digital and green sector. This should be actively promoted – developing a promotional campaign around the region's digital and green assets would give investors more appetite to invest in the region. However, in the short-term, efforts should be focused on refining the 'Pitch for Place' and accelerating the Board's current work on Inward Investment.
	Using connections of universities to gain access to international skills and expertise	Recruitment difficulties, often driven by issues around skills and availability of workers, were already pronounced in the region before the COVID-crisis, especially in hotels/ restaurants, administrative/ support services, education and health. Compounded by high unemployment, and declining international talent matching local talent to businesses in need, there is a role universities could play in helping to retrain/upskill those that have become unemployed and who could be transitioned into low carbon and clean tech businesses.
Creative	Investing in infrastructure of our creative and cultural economies	This objective should remain at the forefront of The Board's agenda, as it will likely be the sector requiring the most recovery support and the sector most likely to contribute to GBRC's region rebranding and attractiveness. Short-term efforts should be focused on supporting jobs in this sector, as well as upskilling those who will have become unemployed and transitioning them into jobs within the region's emerging sectors around the green and digital economy.
	Supporting innovative businesses to scale and grow	To support innovation within the business ecosystems, local authorities will have to come up with innovative ways of financing and delivering this innovation, especially in the face of the upcoming recession. Examples of innovative financing and delivery models include green bonds , citizen hackathons and innovative procurement . Creating and promoting an environment that is conducive to innovation will incentivise new businesses to move to the region and existing businesses to look in new directions. Where possible, innovation efforts should be channelled towards strengthening the region's low carbon/ green sector.
	Maximising the opportunities through knowledge sharing and commercialisation	Encouraging exchange of knowledge will be crucial, as will opening up new channels of communication in the regional economy. The Brighton Chamber of Commerce has a key role to play in this, particularly in terms of making its service offer more inclusive and affordable for small businesses.

Priority	Objective	Commentary
54 Connected	Roll out of fibre infrastructure and become the most 5G-enabled City Region	According to The Board's 2019 Business Survey, most firms that 'need' superfast broadband have access to it and are broadly happy with it. Looking forward, increasing the supply and affordability of ultrafast should in turn drive its take-up. There may also be a case for a more targeted approach, to focus in particular on those sectors making most current use of superfast. Once ultrafast infrastructure has been deployed, work will need to be done with businesses to ensure that the investment in ultrafast and 5G can lead to business growth". Coming out of lockdown, the expansion of 5G and technology infrastructure across Brighton City and the region should be an important priority for The Board, and is an area that the region could grab a national lead on to help support the growth of the digital sector and new remote work patterns.
	An efficient travel network with effective regional, national and international connections	Despite speculation around changes in WFH patterns, it is unlikely that the whole economy will become remote-based. Already key sectors are planned to open up in June. Given that local transport concerns already existed in the region before COVID-19—particularly congestion and parking—investment in transport infra (E.g. Brighton Main Line) should be pursued. Good transport network determines ease of connectivity to employment nodes, ensures that key workers can access some of the region's key service sectors (retail, hospitality, visitor economy), and that the region is generally conducive to workforce mobility and productivity. The Boards 2019 Business Survey further states that "transport impacts appear particularly pronounced for some sectors, so there may be value in exploring the scope for measures to address issues for specific industries." This course of action should be pursued, particularly for those sectors most hard-hit by COVID-19.
Resilient	Economic resilience – enabling an economy that is dynamic and learns to adapt to external forces Environmental resilience – of infrastructure and food production, exploring circular economy benefits Social resilience – of Greater Brighton communities and the wellbeing of residents	Effectively, these three pillars of resilience are interdependent and should be considered with equal measure. Building back a more resilient economy, environment and society should be the key focus of the region's recovery strategy, and this will require engaging with businesses as much as with residents. The region's economic strategy is now its health and people strategy: the ability to keep the workforce healthy, the way in which inequality will be tackled and the capacity to make livelihoods more resilient will essentially determine how quickly the economy can recover. Inequality will have worsened due to crisis and unemployment effects will be scarring, especially for young people, women and people with no qualifications (Learning and Work Institute). The upcoming economic challenges will have indirect and long-term repercussions on society's wellbeing and quality of life. If not given proper attention, rising inequality will cause structural damage to the region's social inclusion, productivity and prosperity. The recovery provides an opportunity to do things differently and to set a new precedent for "prosperity without growth", redefining what economic success means. Focusing on strengthening the resilience of local places and communities and the systems predating the crisis, rather than boosting productivity in new areas, could help the GBCR rebuild better and stronger.

Recommended campaigns and policy interventions to be led by Greater Brighton Economic Board

Greater Brighton Region Presents. Using convening powers, lead the establishment of a single online platform/virtual stage (and associated social media) under one brand to host all of the region's festivals, concerts and arts events that are likely to be postponed for at least the next year. Part of the construction should include an online shop for ticket sales and merchandising for the events.

High Street Recovery Commission. As we discuss in the report, there are likely to be a large number of retailers going insolvent over the coming months, many large chains. The Board could lead the set up of local high street commission where commissioners are landlord created jointly to ensure the growth of independent retail, coordinated 'meanwhile' uses for vacant sites and support for innovative new formats like Sook.

Greater Brighton Region Artists Resilience Funds. Many global cities home to large populations of artists have established single platforms that centralise grants and funds available for artists similar to Kickstarter (as opposed to arts organisations). The Board could lead the establishment of a single Greater Brighton Resilience Fund aimed at Artists. If the region is to retain its cultural heritage and character it will be important to support individuals, many of whom do not have access to any other support.

Green Infrastructure New Deal. The Government will start releasing funds to accelerate infrastructure construction projects. Using its lobbying powers, the Board can help to create the narrative and pitch to government to secure funding for a range of infrastructure projects from long-awaited improvements to the Brighton-London line, expedited 5G and the provision of bicycle lanes and routes. The projects GBEB has been supporting including on energy and water plans should be put forward.



Annex: Further Sector Analysis

Creative and Digital

Baseline Prospects

- The creative and digital sector plays a vital role in the Greater Brighton City Region economy and makes up around 15% of the area's total business base, generating a turnover in excess of £1.5 billion. Most creative and digital activities in the region revolve around music (11.7%), marketing and advertising (11.4%), design (10.8%), architecture and planning (10.3%), computer software (9%), apparel and fashion (8%) and arts and crafts (8%). Other smaller activities include publishing, PR & comms, media production and photography. Since 2014, growth has been particularly prominent in the software and performing arts.*
- Employment growth in this industry has been particularly strong in Brighton, where most of the region's creative companies are located. Worthing, Lewes and Burgess Hill also have concentrated clusters of creative and digital firms.
- Some of assets in the region supporting the growth of the creative and digital sector are:
 - New England House is one of the major hubs for Brighton's thriving Creative, Digital and IT (CDIT) businesses and is also home to the Digital Catapult
 - The Plus X Laboratory at Preston Barracks, Brighton, which is a planned state of the art creative and design facility for entrepreneurs, inventors and students
 - The Bognor Regis Creative Digital Hub (The Track) and Colonnade House in Worthing are two growing hubs for the creative and digital industries in the region, providing working space for artists, makers and other digital and creative business owners.
- The 2019 GBEB Business Survey found that:
 - Creative businesses are very small: out of the 22% businesses that have no employees, a quarter are in the creative industries
 - Technology intensive and creative businesses are highly reliant on international import-export chains: 34% of technology intensive businesses and 36% of creative businesses were more likely to export internationally; and 47% of technology intensive businesses and 34% of creative industries relying on imports of goods or services
 - Product and service innovation is most common within information/ communication businesses (46%) and arts/ entertainment/ recreation services (46%)
 - One in five businesses working around the arts/ entertainment/ recreation mentioned lack of demand as an obstacle to business growth
 - A higher proportion of those in the creative industries reported they were planning to relocate outside of GBCR because of cost of workspace.

COVID-19 Challenges

1. Alongside the tourism and retail/wholesale industry, the creative sector is among the most affected by the coronavirus crisis.* Lockdown and social distancing measures have significantly changed the way we interact with creative and digital content.
2. The visual and performing arts (cinema, theatre, live music) and traditional media production activities (TV, radio, newspaper, books and advertising) have been hard hit by the crisis, with the majority of these sectors being forced to suspend their activities. This has had an immediate impact on self-employed freelancers, who have found themselves out of work, facing bankruptcy and in urgent need of financial support.** 1 in 7 creative organisations believed they could last only until the end of April on existing financial reserves.***
3. In the long-term, one challenge for the digital and creative industries will be to find new ways of engaging consumers remotely, while navigating competition.**** Creative and digital industries will have to adapt their production to changing media consumption habits, and think creatively about how to best engage consumers in an increasingly competitive online sphere.
4. As the economy opens up, the industry's reliance on international import-exports supply chain models will come under scrutiny and require some adaptation.

* Creative Industries in Greater Brighton, Dr. Josh Siepel, Jan 2020

**Evaluating the initial impact of COVID 19 containment measures on economic activity, OECD, April 14th 2020

*** Home is where the art is, Creative Industries Policy and Evidence Centre (PEC), April 8th 2020

**** Creative Industries Federation Survey of 2,000 creative organisations, April 2020

***** Likely Impact of Covid-19 on the UK media industry, PwC, April 2020

Creative and Digital

COVID-19 Response & Opportunities

- With consumers likely to spend more time online than ever before, there is an opportunity to capitalise on increased demand for online products and grow digital creative activities, particularly around advertising and digital entertainment media services such as online-gaming, eSports, eLearning and VOD services. Brighton's high levels of specialisation in computer games and animation (three times more than across the region) presents an opportunity to make the city emerge as a leading destination for business in this industry.
- Filmed performances of theatre, concerts and dance shows, alongside online photography, painting and art have witnessed an increase in consumption.*
- In light of high street store closures, many retail companies will be transitioning to e-commerce services, further benefitting the ad platforms and digital designers supporting these ecosystems.
- Creative and digital content is also playing a key role in addressing the mental and psychological wellbeing consequences of social distancing and economic uncertainties in the UK and across the world.** There is an opportunity to rethink how these industries can collaborate with mental health and wellbeing services.
- COVID-19 is disrupting how we shop, exercise, learn, socialize and spend free time. The creative and digital sector will thus have a significant role to play in the recreation of the human and social dimensions of society, and in shaping recovery.***
- Digital has become the most critical part of the UK's infrastructure during the COVID crisis. The expansion of remote working and the shift towards e-commerce during the pandemic have accelerated the move towards digital as the new operating default. Digital companies can capitalise on these opportunities to support lead change and support other parts of the economy to be more agile, innovative and remote-ready.
- In the face high street store closures, many retail companies will be accelerating their transition to e-commerce services, creating demand for software development, mobile technology, and logistics and distribution companies to support the developing ecosystem.
- Ensuring that workers remain productive and efficient in these remote conditions is putting pressure on businesses to invest in remote collaboration tools, secure endpoint solutions, cloud-based storage and CRM systems. Growing demand for these services represents an opportunity for software and cyber security companies to grow their customer base and increase their revenues. This transition to the online working world will also likely create a higher demand for IT consultancy services.

*** Cultural consumption in the UK during the COVID-19 lockdown, Creative Industries PEC, April 29th 2020*

*** Understanding changes to the way that we consume culture at home during COVID-19, Creative Industries PEC, April 2020*

****COVID-19 Resilience: Creative Industry Options and Strategies, HEVA, May 2020*

***** We need a creative EdTech revolution in the COVID-19 lockdown, Creative Industries PEC, May 21st 2020*

Creative and Digital

Greater Brighton Economic Board Priorities

1. In the short-term, support should be focused on providing self-employed creatives and artists as many do not meet the requirements for government support packages. In the US a coalition of national arts and creative sector grantmakers have come together to create www.artistrelief.org. A similar financial support programme could be put in place, which includes a creative and cultural rescue fund, advantageous debt financing, artist stipends for things like food and rent, production-from-home grants or corporate tax and individual income tax waivers.
2. The Oxford Business School Pop Up offers a good model for business support. In the long term, existing creative and digital centres should be used to:
 - Hold drop-in sessions to help firms access public and private grants and support such as the Futures Fund;
 - Provide free social media training sessions for creative businesses struggling to set up an online presence; to guide them in becoming more global, tapping into new consumer markets and participating in global content ecosystems
 - Set up legal protection for online content training, to ensure that firms retain the revenues they deserve
 - Host innovation hackathons to help creative and digital businesses develop new business models and products and coordinate relief resources
 - Share knowledge around coping and recovery strategies, and showcase success stories of online transitions (eg. Chichester Festival Theatre broadcasting).
3. Work with creative and digital business organisations across the Greater Brighton City Region to strengthen local supply chain potential, reduce reliance on international imports-exports and better embed businesses in the local area.
4. Support the creation of new partnerships or collaboration within the Greater Brighton City Region's ecosystem of creative and digital firms. Design firms should be encouraged to offer discounted services to other creative firms struggling to build an online presence, digital firms should explore how they can support the region's universities' transition to e-learning.***
5. Help smaller creative and digital businesses explore scope for mergers to increase firm size, cash flow and consolidate business resilience.
6. Broker relationships between creative and digital businesses and local authorities to reach new audiences such as younger demographics or vulnerable groups to address issues relating to mental health and youth education.
7. Implement a "Pay It Forward" initiative, similar to the one implemented by the Greater London Authority, to secure the future of creative businesses by pre-selling vouchers, good and services
8. Identify places where fast and reliable digital connectivity is most needed to support economic growth. This will principally be about ensuring full fibre ultrafast connectivity in business locations and then spreading out enhanced connectivity to residential locations to support home working and 5G roll-out.
9. Work with a digital skills market to help people at risk of losing their job in the digital economy, but who may have valuable digital skills to contribute to the local economy in other digital economy sub-sectors.
10. Work with the Coast to Capital Growth Hub to ensure appropriate support is in place to help traditionally non-digital firms adopt digital tools and make best use digital connectivity as they transition their business to a more robust online operation.
11. Engage local digital economy businesses to offer tech support to small businesses (likely via the Growth Hub) to ensure greater local resilience in support and know how around cyber risk management measures and efficient IT operations
12. Make the case with partners to central government for revenue from the new Digital Services Tax to be partly invested in the UK's digital enterprise and skills base.

Wholesale and Retail

Baseline Prospects

- The wholesale and retail sector accounts for 17% of the total business base in the region, according to The Board's recent 2019 Business Survey. This is equivalent to 18% of all employment in the region.
- Wholesale and retail activity is particularly established in Brighton and Hove, with Brighton city currently sitting at 22nd in the UK CACI retail towns ranking. Crawley and the area surrounding Gatwick Airport are also hotspots for distribution and warehouse operations.
- The Business Survey further highlighted online competition as one of the key challenges to growth that businesses in this sector face. The lack of financial resources was also cited as an obstacle to growth, resulting in low levels of product and service innovation in the retail sector.

COVID-19 Challenges

1. The retail and wholesale sector (excluding food, drug or other “demanded products”) has experienced a strong drop in demand, due to the contraction of public facing activities, closed shops and the collapse in consumer spending . 80,000 stores are expected to close across the UK by 2028. Retailers across the UK have reported the sharpest fall in sales in the year to April, a level unmatched since the financial crisis of 2008. According to CBI, wholesalers expect an even sharper pace of decline in the year to May.
2. While shops have begun to reopen since early May, a recent Ipsos Mori survey* found that 40% of Britons would feel not very/at all comfortable shopping, other than in supermarkets. Another survey by GfK** saw a drop in consumers' perceptions of the general economic situation along with a sharp rise in personal finance savings.
3. The same research by GfK highlighted that “While many shoppers will return to high streets and malls once safety returns, the outbreak may accelerate a long-term shift from in-store to online shopping. The reduced traffic will prove fatal to some traditional stores already under stress” and COVID-19 consumer behaviors may “stick” long after the crisis.
4. This end of the JRS scheme will also likely put hundreds of thousands retail employees livelihoods at risk, especially given the forecast that up to a fifth of smaller shops will not reopen after the pandemic.***
5. The Government has offered a 12 months business rates holiday to businesses, which is putting at risk the work that the Brighton City BID does for the city centre, as a large part of the BID's operations is dependent on a business rates levy.

*Comfort in returning to “normal”, 8-11th May 2020, Ipsos Mori

**Impact of COVID-19 on consumer behaviour, April 2020, GfK

***British Independent Retailers Association

Wholesale and Retail

COVID-19 Response & Opportunities

- According to ONS's early research on the impacts of coronavirus, the wholesale and retail sector had the 4th largest proportion of businesses restarting trade at 9.8% between 20 April and 3 May 2020.
- While it has suffered from sluggish or decreased demand for workers, the switch to e-commerce services has helped to keep retail businesses afloat. Around 50,000 new small businesses have signed up to eBay since February, twice the normal number of enrollments, while others have moved onto Amazon Marketplace. The shift of the retail landscape from bricks and mortar retailing to online shopping means that consumers will increasingly be shopping online.
- This presents an opportunity for smaller players, who can now tap into a new and expanded digital market.
- The acceleration of the rise of e-commerce also presents an opportunity to rethink the role of high streets, already stricken before the COVID-19 crisis. In many ways, the crisis now gives local authorities a massive mandate to champion place making and shaping the town and city centre of the future as a destination for leisure, culture, health services and social integration.
- While physical retail will still have to exist in some shape, retailers will likely be re-evaluating the amount of physical space they require to carry out business and prioritise e-commerce operations. The rise of e-commerce will likely benefit warehousing and logistics companies, alongside the digital companies focused on automated warehousing and distribution, cloud and mobile technology, data storage, e-commerce fulfilment and software development.

Greater Brighton Economic Board Priorities

1. The Board's 2019 survey stated that "innovation support needs to be part of the mainstream business offer to establishments in retail sector (...) In particular this should seek to stimulate collaboration between businesses, alongside sector bodies and with universities." Renewing this commitment should be a priority for The Board as the retail and wholesale sector will likely be one of the most hard-hit sectors in the region. Innovation support could come in the form of financial packages or networking support.
2. Encourage greater engagement within the regional network of wholesalers and retailers to support smaller retailers to enter in partnerships with bigger companies, to utilise spare capacity, access tech or expertise.
3. Broker relationships between "big" retailers who may be reconsidering their property portfolio and local authorities who could put idle retail units to alternative use, such as for independent retailers, the voluntary sector, affordable workspaces to retain creative and digital businesses in the region, or for housing.
4. Offer free drop-in training sessions to independent retailers to establish a stronger online presence through bodies like the Brighton Chamber of Commerce.
5. Provide skills support alongside the phase out of the JRS scheme to support unemployed individuals from the retail sector to transition into new jobs in emerging economies like the low carbon sector.
6. Lobby government to save the Brighton City BID, which is at risk of becoming insolvent by July 2020; and lobby to extend business rates relief to 2021 to support retailers.

Visitor Economy

Baseline Prospects

- The visitor economy has helped to position the Greater Brighton City Region as a leading area for hospitality, tourism and culture. In Brighton and Hove alone, there are 14,000 jobs in the accommodation and food services sector, making up around 42% of all the employment in that sector within the Greater Brighton City Region. Brighton is also the tenth most visited town in the UK by both inbound and overseas visitors.*
- The presence of a thriving performing arts sector in Brighton and Hove, which had a yearly turnover of £329m in 2019 and employs 3,500 people**, is in part due to the presence of assets like the Royal Pavilion, the Brighton Museum & Art Gallery, Brighton Dome & Theatre Royal, and events such as the Brighton Pride and Brighton Festival. Another key event is the Sussex Festival of Performing Arts. The proximity to the South Downs National Park is also an attractive factor of the region's visitor economy.
- Overseas visitors to the region accounted for 20% of all visitors in 2019, a drop from the 26% rate in 2016. Scandinavia, Germany, the United States, France and Australasia were the most frequently mentioned countries of residence. Domestic visitors mainly come from the South East (24%) and the Greater London Area (20%)***
- Some of the main reasons for visiting Brighton include going to the beach (26%) and seeing friends/relatives (18%). Most people staying overnight use serviced accommodation, while 8% stay in AirBnBs. The average overall spend for an overnight stay was £177 or £71 excluding accommodation costs.

COVID-19 Challenges

1. The impact of COVID-19 has been severe. Lockdown measures have forced the closure of all restaurants, arts and cultural locations that support the visitor economy. The bans on public gathering and travel restrictions (both local and international), alongside night time curfews, social distancing measures, closure of public spaces, and restrictions on movement, have triggered a near-total shutdown of the visitor economy. Future levels of unemployment will dictate the disposable income available and therefore the propensity to spend on leisure-based experiences.
2. Key visitor events in Brighton have been cancelled (such as the Brighton Marathon or Brighton Pride), resulting in huge losses given that some of the logistical preparations had already been put in place. The pandemic has also been anxiety-inducing for most creatives, given that this situation has denied them a platform to earn a living.
3. Commercial rents are an important issue, particularly for music venues, and are taking up all their resources. Rents and private landlords are also a major issue within the local independent hospitality sector.** The Treasury's ban on commercial evictions for three months protects hospitality businesses in the short term. However, many landlords are requiring businesses to repay the missed quarter of rent in the next quarter, essentially doubling rent. This is being referred to as the "rent apocalypse" and it is forecast to potentially force more than half of all hospitality businesses into bankruptcy.
4. The visitor economy is social and communal in nature. COVID-19 has disrupted that, and the sector may never exist exactly as it did before. These disruptions affect all professions in the sector, and their daily revenues and income, from tour operators, hotel staff, tent suppliers, food vendors and caterers, light and sound engineers, artists, exhibitors, music performers to security guards. The events value chain supporting this industry has also been hard hit. As of April 2020, 80% of all UK workers in hotel, food and accommodation are on furlough and 68% in arts, entertainment and recreation are on furlough.*** Should social-distancing requirements continue in the months following the closure of the government's furloughing scheme (currently scheduled for June 2020), the majority of furloughed visitor economy staff would likely be made redundant reasonably swiftly as firms run out of cash.
5. This will cause knock-on effect when social distancing is relaxed as it means the visitor economy facilities like restaurants, tourist shops and hotels will not be available, further damaging GVA. Moreover, social distancing measures are likely to still be in place until December 2021 (UK Hospitality), meaning that businesses are only going to be able to reopen at 30-50 per cent of normal revenues.
6. Paranoia around social gatherings may stick beyond COVID and persuading fearful Britons to venture out again will likely be a challenge for the visitor economy.*****

* Town Data, VisitBritain, 2018

** COVID Consultation Analysis, Brighton and Hove Economic Partnership, April Meeting Notes

*** Brighton and Hove Visitor Survey, VisitBrighton, 2019

**** ONS, User Requested Data set produced for Parliamentary Committee for Digital, Culture, Media and Sport, April 25th 2020

***** LSE COVID 19 Blog, Tony Travers, May 1st 2020

Visitor Economy

COVID-19 Response & Opportunities

- Drawing on the experience of countries further along the COVID-19 curve, an Australian survey undertaken last week indicated 50% of Australians were actively making plans for domestic trips*. The main motivator cited is the need to support the Australian economy (as well as a need to get out). Respondents indicated that coastal towns were the most popular destination by a wide margin, with cities the least appealing.
- There is also evidence that future travellers are spending time during lockdown curating whole day trips/overnight trips and choosing destinations on the basis of choice of hotels, food, cultural and natural attractions. **In line with this, a recent survey by Ipsos Mori indicated that 60% of Britons were not very/at all comfortable taking holidays abroad – as a result, it is probably that demand for domestic trips will increase, a silver lining for the Greater Brighton's visitor economy and coastal towns.*** Knight Frank, a real estate group, further predicts that “with all schools closed (...) the traditional 6-week summer holiday period will effectively be extended, allowing families the opportunity to take a UK holiday perhaps in June or early July (...) coastal areas are likely to benefit and see a greater uplift in trading. Regional UK, therefore has the potential to benefit from sources of demand not previously at its disposal pre-COVID-19”.****
- The Australian survey and others have shown that future travellers will be hyper-aware of hygiene standards in accommodation, public facilities, restaurants and pubs and this will become a major driver of choice.
- Large hotel chains may only fully reopen when social distancing measures are eased, to ensure operating losses are less than the holding costs of keeping the hotels closed. **** Thus, we may see demand rise for smaller boutique and independent hotels, alongside AirBnB.
- Empty hotels and unused venues offer an opportunity to rethink how these assets could be repurposed temporarily to meet other social needs around housing, education or health. These might be .prove particularly useful in dealing with homelessness, or in providing extra space for care homes or food banks.
- According to ONS's early research on the impacts of coronavirus, the accommodation and food services activities sector had the largest proportion of businesses restarting trade at 19% between 20 April and 3 May 2020. This will likely one of the sub-sectors of the visitor economy that will recover quickest.

* University of Queensland Survey

**COVID update report Expedia, released 21 April 2020

*** Comfort in returning to “normal”, Ipsos Mori Coronavirus Polling, May 2020

**** COVID-19 - The impact on the UK Hotel Market and its forecast recovery, Knight Frank, April 2020

Visitor Economy

Greater Brighton Economic Board Priorities

1. Help prepare a strategy for scenarios once lockdown restrictions have been removed, to allow businesses within the hospitality industry to source and prepare the right equipment/PPE supplies
2. Support the development of a strong communication campaign to brand the Greater Brighton region as safe to visit once social distance measures are eased. This will include:
 - Developing a promotional scheme for businesses to demonstrate their cleansing & distancing measures, reassuring consumers that staff from the visitor economy are being tested and that PPE standards are being respected.
 - Emphasising coastal towns as safe and open spaces where social distancing measures are easy to follow
 - Putting funds into the promotion of the region
3. Work with trade bodies and VisitBrighton to lobby national government for a tourism sector plan to maintain the furloughing scheme (or a variant) to bridge through to the end of social distancing.
4. Set up a SWAT team to work with visitor economy-related local businesses to ensure they are accessing as much of the government's loan and grant schemes available to maximise chances of survival.
5. Pivot the Visit Brighton website and wider region tourism material to target day trippers from London and the Southeast, and to encourage residents to go on "staycations". The offer should include whole curated day trips including restaurants, cultural and natural attractions to boost per visitor spend.
6. Develop innovative ways of marketing and promoting the region's tourism assets, through activities such as live streaming the city and virtual events. Collaboration with the local creative and digital sector should be an integral part of this process.
7. Commit a pot of funding to support festivals and events that have had to cancel but can play an important role in attracting people back to the region once social distancing measures are eased.
8. Support councils in developing a best practice guide when it comes to negotiations between tenants from the visitor economy and landlords, and give clear direction on their strategy for tenants so that private sector landlords can follow.

* University of Queensland Survey

** COVID update report Expedia, released 21 April 2020

Education

Baseline Prospects

- The education sector accounts for 9% of all employment in the Greater Brighton City Region and is characterised by three anchor institutions: the University of Brighton, the University of Sussex and the Greater Brighton Metropolitan college, which play an important role in drawing skilled people to the region and in driving innovation. Together, they accounted for 52,000 students in 2018-19.
- The two universities have a large body of international students, with 13% non-UK students at the University of Brighton, and 32% non-UK students at the University of Sussex in the year 2018-19.*
- A study by the University of Brighton** further found that:
 - The Universities' graduates enhance the skilled talent pool available to employers in the city, and across the region, supplying highly qualified workers to key sectors like the knowledge economy. Over 40% of graduates are employed in East Sussex and West Sussex;
 - The University of Sussex supports over 5,000 jobs in Brighton and Hove, East Sussex and West Sussex;
 - Through its Academies Trust, the University of Brighton directly supports the education of over 7,500 local pupils in 15 schools;
 - The University of Brighton and GBMet are the largest providers of apprenticeship training in Brighton and Hove, together accounting for almost one in three of all participants in the area in 2018-19;
 - A significant majority of GBMet higher education students are from widening participation and non-traditional backgrounds. It has major provision for vulnerable students and for re-engaging NEETs.

COVID-19 Challenges

1. Education will be the second hardest hit sector by the coronavirus crisis, according to the OBR analysis for the GBCR region. The COVID-19 crisis has already cost the University of Sussex £13 million.* The summer break and suspension of summer schools will worsen the financial impact in terms of (a) a significant fall in international students and (b) a rise in home student deferrals, with students not wanting a virtual experience in place of a campus in-person education.
2. A sharp drop in international student numbers is anticipated. A research study by London Economics ** revealed that universities with significant numbers of international students would be hit hardest, while a survey by the British Council*** revealed that some universities are forecasting a fall of international students by 50% compared to last year, with 39% of Chinese applicants unsure about study plans. This will not bode well for the University of Sussex, whose revenues are particularly dependent on Chinese students. For a comparison, recruitment recovery following the SARS epidemic which mainly only affected China, took 5 years.*
3. International fee income is vital to the finances of many universities. It allows universities to generate funds to support high-cost science-based research. This might further cause a loss in research and innovation capacity for the region, and the region could suffer from a "brain-drain" and heightened challenges around local skills retention/recruitment and intensified competition for domestic students. The brain drain phenomena could be accentuated by the fact that one year after having left full-time education, more than one-in-five graduates would normally work in a sector that is now mostly shut down (non-food retail, hospitality, travel, arts, entertainment).**** The difficulty of getting onto the first rung of the employment ladder could mean that the region will suffer from particularly intense youth unemployment.
4. A number of longer-term challenges around commercial property are also predicted: universities have taken an immediate hit on rent revenues from vacated accommodation, shut down of catering and loss of rents at assets like the Innovation Centre. Students at the University of Sussex normally boost additional off-campus spend by around £200m, which will also be lost.
5. The challenges faced by the education sector will have knock-on effects on university jobs, the night-time economy and spend in night-time venues by students. Public transport will likely also be affected, alongside Gatwick Airport, of which international students are significant users.
6. More generally, universities generally act as emblematic anchor institutions for an area and its community, and their demise could further destabilise the prosperity and identity of the region.

* HE student enrolments by HE provider and domicile, HESA, May 2020

**Brighton & Hove: economic impact of the tertiary education sector, University of Brighton Evaluation and Policy Department, May 2020

*Higher Education: The University of Sussex, Professor Stephen Shute, May 2020

** Impact of the Covid-19 pandemic on university finances, London Economics, April 2020

*** Covid-19 update: China survey results, British Council, April 8th 2020

**** Class of 2020: Education leavers in the current crisis, Nuffield Foundation and Resolution Foundation, May 2020

Education

COVID-19 Response & Opportunities

As regional anchor institutions, the Universities have a leading role in economic development to play.

- There is an opportunity for the two universities to make themselves more relevant to the Greater Brighton City Region by prioritising a more concrete regional and locally-specific research agenda. The University of Sussex's COVID-19 research group is currently looking to build on locally-relevant research already underway and to form knowledge-transfer partnerships with the region's business community to push forward this research.
- The Brighton and Sussex Medical School (BSMS) is an equal partnership between the Universities and NHS partners which produces high-quality medical graduates who are well prepared to lead the health service during the COVID recovery period.
- GBMet offers online professional development short courses and programmes for the unemployed, which can offer a useful platform to support people back into jobs during the economic recovery.
- "If social distancing continues until December 2020, the space constraints on the teaching estate of the University of Sussex's Falmer campus will mean the University will have to deliver much of its teaching remotely without the benefit of face-to-face contact, particularly large lectures".* There is an opportunity for local e-Learning digital companies to step up. B&H Music Service and East Sussex Music have already planned online lessons to 3,000 children in the summer term.
- There is also an opportunity for creative businesses to integrate their offer within e-learning services, to make it more engaging. Research by the Creative Industries Policy and Evidence Centre suggests that "access to remote learning resources should also extend to those that nurture the creative digital skills of young people", helping to equip them for the economies of the future.**
- To expand these e-Learning services beyond the region and to drive additional volume, the quality of technology will be critical. This is dependent on 5G development and the quality of online content acting.

Greater Brighton Economic Board Priorities

1. Engage with universities to support the upskilling and creation of jobs in the green sector, and specifically with the University of Brighton's Green Growth Platform which could absorb unemployment from some of the sectors which have shut down.
2. Partnerships with the Sussex Innovation Centre and PlusX Brighton should be leveraged to further reboot start-up and SME innovation activity in the region.
3. Help universities create a greater sense of certainty about the upcoming academic year through a clear communication strategy, to reassure undecided applicants and give them confidence to study at the University of Sussex and University of Brighton.
4. With few vacancies opening up, The Board should work with partners to put in place targeted supported for youth unemployment. The Future Jobs Fund proved a successful model that could be used as a basis for a new scheme that would develop job guarantee under which public and private sector

* Higher Education: The University of Sussex, Professor Stephen Shute, May 2020

** We need a creative EdTech revolution in the COVID-19 lockdown, Creative Industries PEC, 21 May 2020

Aviation

Baseline Prospects

- The UK is the world's third largest air passenger market, with 120m passengers flying to the UK in 2019, supporting 1.5m jobs and generating around £100bn.
- Greater Brighton is home Gatwick Airport which is the second busiest airport in the UK. Through direct activities associated with the airport the sector supported economic output of £1.5bn in 2016, with a further £1.1bn of indirect economic output*.
- Greater Brighton is a hub for aviation, aerospace and defence manufacturing which is driven largely by the direct activities associated with Gatwick Airport.
- Prior to the Covid-19 pandemic the airport had reported that there had been growth in both passenger numbers and revenue in the 9 month period leading up to 31st December 2019. The published results, by Gatwick Airport, showed that just under 37 million passengers passed through the airport, resulting in an 0.3% increase. The increase in passengers was mainly down to long haul flight passengers**.
- The airport still has plans to bring the existing Northern stand by runway into use in the future, which is expected to increase traveller numbers and revenue.

COVID-19 Challenges

1. Travel bans and lockdown restrictions across the world have severely impacted flight numbers. London Gatwick is currently seeing just 1% of the flights made this time last year**, with Global commercial flight activity almost 75% below 2019 by mid April 2020***. The airport has brought in temporary consolidation of operations into the South Terminal and the limiting of flight schedules to between 1400 and 2200 each day.
2. Gatwick airport does not expect flight numbers to return to recent levels until 36 to 48 months. This reduction in traffic through Gatwick Airport will likely reduce demand for digital economy services related to logistics and aviation****.
3. There have been widespread job losses throughout the aviation industry as a result of Covid-19 with British Airways parent company IAG announcing that it was cutting 12,000 positions from the airlines 42,000 strong workforce. Whilst Easyjet laid off 4,000 UK-based cabin crew for 2 months, Qantas has put 20,000 staff on leave and 700 American Airlines pilots have agreed early retirement.
4. The chancellor announced that the furlough scheme will be extended until the end of October, however the demand in airlines is not expected to achieve pre Covid-19 levels until at least a few years.
5. Further strain has been placed on the industry with the Governments implementation of a required 14 day self isolation following the return to the country. This has led to British Airways reviewing its plans to resume 50% of its flights in July. The 14 day isolation for incoming passengers has been met with stern force by the aviation sector, with a law suit pending.

*Oxford Economics, The economic impact of Gatwick Airport, January 2017

**Eurocontrol, COVID 19 Impact of European Air Traffic

*** IEA, Changes in transport behaviour during the Covid-19 crisis, 27th May 2020

****MoodieDavittReport, London Gatwick reveals action plan to tackle impact of COVID-19, 24th April 2020

Aviation

COVID-19 Response & Opportunities

- Many large travel companies aim to begin operating flights across Europe to popular holiday destinations such as Greece and Spain
- The airports majority shareholder, Vinci Airports, took action to safeguard their financial investment through placing over 90% of staff on the UK Governments Job Retention Scheme.
- The airport secured a £300 million loan with a consortium of banks on the 3rd of April, which will improve the airports liquidity.
- Gatwick airport has announced that the work to the Northern stand by runway is to go ahead post Covid-19 pandemic, this could aid the recovery of the airport through investment opportunities. Additionally the project will create employment opportunities for local residents.
- Manor Royal is heavily involved in Gatwick Airport, it is now offering post Covid-19 contingency solutions, offering office space for small teams as a 'fall back' option. This can help combat Crawley's exposure to the crisis, as the Centre for Cities estimates Crawley to be the most exposed of the UK's largest towns, due to its linkages to vulnerable sectors, particularly the aviation industry**
- Work travel has reduced – alternative measures to carry out meetings online have been introduced with PWC forecasting this to remain post crisis. Gatwick Airport's flight traffic is likely to see a decrease as a result of reduced international business travel, at least until business confidence in travel picks ups.
- Global occupancy rates are beginning to increase, especially in locations in Asia and North America. While domestic rates continue to remain low there is a growing demand for traveling abroad**, especially since June 15th, when Easyjet resumed its flight operations from London Gatwick Airport.

*Manor Royal, Post Covid-19 Office Contingency Solutions

**The Impact of COVID-19 on Commercial Real Estate, Costar

*** PWC, When will holidays take off again and how can the travel sector prepare?

Greater Brighton Economic Board Priorities

1. Due to the expected reduction in long haul travel/city breaks both initially and in the long term – there is expected to be a shift towards holiday parks/camping/caravan holidays with domestic travel set to increase***. According PWC, this could help to offset some of the lost business through the aviation industry by angling Brighton as one of the top domestic locations for summer holidays.
2. In light of recent announcements from the major airlines, there is a need to engage the research community with Gatwick to develop plans for Gatwick to be an exemplar in how airports function safely in the face of COVID-19 (and other transmissible conditions) including adoption of new contactless hygiene measures, innovative people movement management, additional procedures for virtual check-in and border checks and redesign of airport layout.
3. Use local manufacturing businesses to supply PPE for passengers and staff at Gatwick Airport. Within the current guidelines traveling passengers are expected to wear PPE protection including masks and gloves in order to travel. This precautionary step will increase passenger confidence and reduce fears surrounding air travel.
4. Due to the long lay off pilots will need 'time in the air', or in the simulator in order to maintain their ratings or permits to fly specific aircraft. Gatwick and Manor Royal are equipped to offer such training. There are state of the art facilities such as the London Training Centre and the new Avion and IAGO training centre located in Manor Royal. Alongside this position Greater Brighton – specifically Manor Royal (heavily dependent on tech and aviation) as a fall back option for firms located in London. Much of the office space offers parking (avoid public transport) and increased space – social distancing in teams within the building .
5. Lobby government for a bailout scheme similar to the scheme in France in order to bailout airline companies with The Board to lobby for similar scheme to supporting aviation staff which has been furloughed and help reboot this vital economy to the region

Professional, scientific and technical

Baseline Prospects

- The professional, scientific and technical sector is one of the more-established sectors in the region. Through work to prepare the sector for Brexit, the Board has engaged in strong dialogue with many of these firms, which will be important to maintain over the coming months. In 2019, the Board conducted a Business Survey across the region. Key findings include:
 - 19% of establishments are in the professional, scientific and technical, employing around 8% of the region's workforce;
 - within this sector, finance and insurance businesses were more likely to have experienced higher employment growth in recent years;
 - 22% of businesses found that online competition was already an obstacle to growth;
 - 30% of businesses in the professional, scientific and technical sector reported higher than average levels of exporting
 - Product and service innovation was most common within the professional, scientific and technical sector
- Most activity in this sector is concentrated within Brighton and Hove and Mid Sussex. Some notable new assets coming to the region, which will support the performance of this sector include the Science and Technical Park in Burgess Hill, the Environmental Technologies Centre near the Brighton City (Shoreham) Airport and the Sussex Innovation Centre near Brighton Station.

COVID-19 Challenges

- The professional services sector is being both positively and negatively impacted by COVID-19. As client's priorities are shifting, projects and investments are being cancelled or delayed and this has a direct consequential impact on the sector.
- As a result, the short-term priority for many firms has been to reduce costs quickly by making redundancies or other measures. The large banks and consultancies have been hesitant to furlough staff for fear of further damaging their reputations. Ernst and Young has "strongly encouraged" all of its 17,000 staff to take 70% of their annual leave allowance before the end of August.
- Some of the lost income is being made up by an upswing in regulatory and legal responsibilities as well as the need for restructuring support. However as these are specialist disciplines some firms, including law firms are still making staff in unrelated areas redundant in order to hire restructuring experts.
- The professional services sector has been able to move relatively seamlessly to online working and this has raised questions about the need for large centralised offices in central London going forward.
- COVID-19 has exposed the fragility of national supply chains with an emphasis in reshoring in the future. The sector expects a large increase in work to novate existing contracts and restructure supply chains. For this reason the medium term outlook for the sector looks buoyant.

Professional, scientific and technical

COVID-19 Response & Opportunities

- The sector has been surprised at how seamless the move to home working has been. Large firms, including Barclays, have stated that they may no longer require their London HQ in Canary Wharf and instead operate using a series of satellite offices. This provides an opportunity for the Greater Brighton City Region as many of these firms already have regional bases and the area has a highly skilled labour force on its doorstep.
- Accountants and restructuring experts (management, operations and strategy consultants) are likely to be in high demand, as small businesses and large organisations will look to restructure their debt and work around cash shortages caused by the Covid 19 crisis. UK banks will put aside £5bn to cover the first quarter of loan losses which gives an indication of the upcoming scale of support required.
- Only one in five UK businesses who have formally applied for government-backed loans have been granted emergency funding. One of the issues has been the banks' reduction in staff capacity as many self-isolate or are required to look after family.
- In the medium term, there will be a focus on fixing the weaknesses in supply chains with particular emphasis on risk and compliance challenges. This will be particularly pertinent in the Gatwick Diamond area as so many businesses are part of national and international supply chains.

Greater Brighton Economic Board Priorities

1. Many businesses will be seeking specialist professional services support for the first time and in a distressed state. Set up a Greater Brighton City Region/LEP wide call-off contract with locally based professional services firms for businesses in the area to procure support easily and on fair terms.
2. Liaise with large professional services firms based in the area to understand space requirements and other needs over the next few months. Look at converting unused space to set up a hub with conference rooms and flexi-work space for use by large central London firms when required.
3. Liaise with local bank representatives to see if additional capacity can be found to help businesses submit CBILs applications, or to help process them.
4. Work with partners to set up a Greater Brighton City Region online resource to help professional services firms recruit locally-based specialist staff including supply chain and risk experts to ensure talent stays in the area.

Horticulture and Viticulture

Baseline Prospects

- The Horticulture sector in the Greater Brighton City Region is deemed a priority business cluster. The sector is predominately located in rural areas and is home to some of the largest horticultural business. The horticultural sector in Brighton offers strong growth and stability with many of the current largest businesses starting as small family businesses such as Kate's Cakes and Higgidy Pies*.
- There is a strong market for locally sourced produce which is pushed by the thriving retail and hospitality sector. However, the number of related businesses is less than the UK average.
- The Industry in West Sussex produces over £1 billion in annual sales of fruit, vegetables, salads and plants and employs more than 9,000 people. The continued success of the industry relies on free access to the European Labour Market****.
- Plumpton College has recently opened the Rathwinny Research Winery and started the UK's first MSc in Viticulture and Oenology back in September 2014.
- The Brighton wine industry has been touted with putting English sparkling wine on the global map, mainly due to the success of the family run Ridgeview vineyard. The success of Ridgeview vineyard has contributed to the speed that the British wine industry is developing at – which according to Wine UK – the production of wine has trebled from 5.9m bottles in 2017 to 15.6m in 2018.

COVID-19 Challenges

1. There has been a reduction in demand for consumers, particularly in the ornamental part of the sector (including non-edible products such as flowers and bedding plants). This has been driven by the closure of garden centres and a reduction in orders from supermarkets. Due to a reduction in demand the value of lost plant sales in the UK will be £687million by the end of June***.
2. The retail and hospitality sector have been struggling – therefore there has been less demand on fresh produce leading to crops going to waste. This has been especially tough for the industry as the HTA claimed 70% of plants are sold between the months of March and June.
3. Covid-19 has enhanced existing issues in the industry, with 99% of seasonal jobs typically filled with EU national workers**. Travel restrictions have reduced the supply of workers from abroad.
4. Education and training is of fundamental importance to horticulture businesses, through strong links with local universities and apprenticeship schemes. The closure of universities and largely education as a whole enhances existing issues in the industry with 70% of bosses in the sector saying that they struggle to fill vacancies, with 83% putting this down to the poor perception of horticulture in schools and colleges.
5. The wine industry in Brighton has been heavily impacted with vineyards such as Ridgeview furloughing workers, closing their cellar doors and cancelling all vineyard tours during their normal peak season.
6. The sector has seen a number of local challenges with West Sussex grower Far Plants announcing that it had lost around £5million worth of stock due to the coronavirus lockdown. While the cancellation of food and wine events has led to a reduction in orders it has also reduced the level of media coverage and marketing cancelling events.

• *Nairne, B (2014) Greater Brighton and West Sussex Business Survey

• **NFU (2020) Coronavirus: The impact on seasonal labour in the horticulture sector

• ***HTA (2020) Horticultural Sector worth £1.4 billion could be wiped out by Coronavirus shut down in just weeks

• **** WSGA (2017) Growing Together – Strategic Plan

Horticulture and Viticulture

COVID-19 Response & Opportunities

- Garden Centres were announced as one of the first retail shops to reopen as part of the governments exit strategy. They opened on the 13th May, over a month before 'non-essential' shops were allowed to reopen. This provided the sector with competitive advantage on the high street and a chance to capitalise on increased consumer demand in gardening as a result of the lockdown, with the Seed Co-operative reporting that orders are 6 times higher than a year ago.
- One of the main concerns is the level of stock available, and with staff shortages, how the industry will be able to capitalise on increased demand. In the neighbouring region the WSGA has made a call for workers to fill staff shortages which generated 300 applications in the first two weeks*. This includes students and people currently furloughed.
- Defra launched a pick for Britain campaign to bring workers and employers together in response to a diminished agricultural workforce. The campaign has raised awareness and attracted new workers to the sector.
- The HTA has launched a mobile APP which provides up to date information to the horticulture industry, information, resources and training opportunities. The E-Learning content is designed to help upskill staff and track their progress to help fill skill gaps.
- There will always be a demand for food, the industry has seen adaptability through food delivery boxes, with Abel and Cole announcing that it has seen a 25% increase in orders weekly. While CEBR estimated that the food takeaway sector has experienced a £4million daily GVA increase since lockdown was enforced.
- There is growing positivity globally that the sector recovery will be strong, with a survey conducted by the AIPH finding that 71% of growers will soon recover after the crisis, which is a drastic change from their previous survey which predicted that 70% would be out of business by the end of 2020**.
- Great British Wine Tours are offering express next day delivery on local wines and artisan food to help promote the local wine scene. While PWC forecast that spending on groceries could help combat the loss of demand from the hospitality sector, offering local produce either through farmers market initiatives or food boxes. While the Sussex wine school, located in Brighton, has begun holding wine tasting classes online, while the vineyard Ridgeview has introduced complimentary next day delivery on any quantities of its wines.
- The NFU successfully lobbied for an exemption for seasonal workers from the strict quarantine requirements which have come in as of the 8th June.

Greater Brighton Economic Board Priorities

1. Firms in a number of priority sectors and those aiming for growth are more likely to trade with the EU or employ EU nationals – and so appear to be most exposed on EU exit
2. Brighton food and drink – supporting local, Brighton Chamber reported that sales of wine have increased by 31%. Continuing the promotion of local businesses and producers can help sustain the sector, both in the short term and for long term sustainability. Can help expand on the Vision set out in Brighton and Hove Food Strategy Action Plan, where there is a conscious effort to produce sustainable food production – shortening supply chains and retaining the value in the local economy****
3. One way to boost the demand on local produce is through a voucher scheme***, or the ADHB is using its platform to create demand for domestic products through schemes such as #Milkyourmoments and #MakeItSteak****. As a strategy it is providing marketing and some media coverage for companies that are missing out on food and drink festivals.
4. The introduction of part-time furlough could relieve some of the strain on the industry – employers that are on furlough to be permitted to work in the industry. While job posting in the hospitality industry are at an all time low, online sales are increasing including the sale of food and beverages. (ONS)
5. The AHDB state that travel accounts for over half of the emissions in the horticulture industry*****, therefore focusing on locally sourced produce can help reduce the emissions as well as creating a more sustainable supply chain.
6. WSGA have also created a labour availability spreadsheet where businesses with surplus staff can offer them to those with shortages. A similar scheme could help the GBCR area.

*West Sussex Growers Associate, Covid-19 Update, 2nd May 2020

** AIPH, Global Impact Survey During the Coronavirus Pandemic, May 2020

*** Centre for Cities, Road to Recovery, 4th June 2020

**** AHDB, Coronavirus: Consumer Marketing Support

***** Brighton and Hove Food Strategy Action Plan, 2018-2023

***** AHDB, Inspiring farmers, growers and industry to succeed in a rapidly changing world, Annual Report and accounts 2018/19

Construction and Manufacturing

Baseline Prospects

- The construction sector in Greater Brighton is one that is thriving, due to the large number of developments in the region, including those funded by One Public Estate Funding. 11 of these projects are expected to produce 1,792 new homes, £58 million in capital receipts, 5,042 new jobs and 29,000m² of employment floorspace*.
- There are well-established clusters of manufacturing around Adur and Worthing, where there exists a strong pharmaceutical base.
- Advanced manufacturing is a key sector in the economy with around 830 businesses and 8,000 people. The area has a variety of world leading high-tech manufacturing businesses including Rolls Royce Motor Cars, Bowers and Wilkins and Eurotherm.
- Prior to Covid-19 the advanced manufacturing sector had been negatively impacted by Brexit uncertainty. According to research from Make UK (the UK manufacturing body) the sector had ground to a halt at the end of 2019 and had experienced big drops in European exports over previous years**.
- The Greater Brighton Business Survey found that 55% of manufacturing companies export internationally, which is over double the SME national average. Additionally, 18% of the manufacturing businesses stated that they were heavily reliant on EU markets, while 30% of manufacturers stated economic uncertainty as a reason for not innovating.

COVID-19 Challenges

1. The economic impact upon the manufacturing sector has been widely publicised:
 - CEBR estimated that the manufacturing sector lost on average 69% of daily GVA revenue due to lockdown, equivalent to £538million a day***.
 - In March the UK manufacturing sector saw output and new orders fall at a rate not seen since mid-2012****.
 - The Bank of England forecasts that manufacturing companies as a whole will see sales drop at around a 50% average. While demand for the sector is weak, the automotive and aerospace sectors have been impacted particularly hard*****.
 - The manufacturing sector experienced a decrease in output by 1.7% in the 3 months leading up to March 2020, compared to December 2019.
 - Out of the businesses continuing to trade, 29.1% of manufacturing businesses reported a decrease in turnover of more than 50%, while 40.2% of construction businesses reported similar losses.*****.
2. Although government guidelines issued on 10th May resulted in the first wave of manufacturing firms returning to work along with automotive companies Ford, Vauxhall and Jaguar Land Rover restarting their production lines in the UK, over a third of manufacturers said that they would wait for an increase in orders before bringing employees back from furlough. Additionally, there are concerns surrounding the efficiency of manufacturing plants, with Toyota estimating engine build times at 10% slower than pre lockdown, due to the enforcement of social distancing measures*****.
3. The Covid-19 pandemic has led to changing commuting patterns with bike sales rising by 40% as commuters search for new ways to travel, supported by the governments £250m emergency travel fund for cycling and walking initiatives. While bike sales have soared vehicle sales are expected to fall more than 22% year on year in demand – which will represent a downgrade of around 18.8million units globally.
4. Although initial data from China shows that there are behavioural changes occurring – with moving away from public transport and into car travel (hollowing out of cities), maybe at the expense of public transport, there is also an opportunity for increased car manufacturing especially innovation around the reduction in emissions*****.
5. The Covid-19 crisis is increasing the argument for adding resilience to the factory floor – through the automation of the manufacturing process *****.

* GBEB, Annual report 2018/19, July 2019
** Make UK/BDO Survey, 2020 Q1, 2020
*** CEBR, Estimates of daily economic impact of the UK's lockdown by sector, April 2020
**** HIS Markit / CIPS UK Manufacturing PMI, 1st April 2020
***** Bank of England, Monetary Policy Report, May 2020
***** ONS, Business Impacts of Covid-19 data, Wave 5, 4th May to 1st May 2020
***** Ayming Covid-19 and the manufacturing sector, 14th April 2020
***** HIS Markit, COVID-19 pandemic: EV charging industry wrestles with a new magnitude of underutilization, 6th May 2020
***** Strategy & PWC, Where next for industrial manufacturing?

Construction and Manufacturing

COVID-19 Response & Opportunities

- The government issued guidelines for the construction sector in order to continue their jobs, with the development of the Site Operating Procedure (SOP). As of the 8th April there was no restriction on manufacturing continuing under the current state rules.
- The adaptability of the manufacturing sector resulted in a 'call to arms' for many within the sector to help combat the Covid-19 crisis, with Greater Brighton firm Ricardo using its expertise and resources to create bespoke face shields for the NHS healthcare staff*. Nationally, Mercedes and F1 teams helped in the manufacturing of ventilators, which combated the furloughing of staff – which was the case for BMW and other firms which were less adaptable.
- The Covid pandemic has led to a change in perceptions towards commuting, which could help drive a shift towards reducing the impact on climate change, highlighted through a substantial uplift in bike sales, public transport capacity is expected to fall. Prior to the global pandemic electric vehicles (EV's) were experiencing rapid growth, although the future market has been predicted to both increase and decrease. However, initial data shows that while the automotive market has taken a dive the EV sector has shown strength which could continue in a greener world with Germany and France announcing a €500 billion green recovery fund to accelerate the EU's shift to a low-carbon economy**.
- Companies in the manufacturing sector are continuing to operate, with the latest ONS data showing that 92.3% of manufacturing businesses have continued to trade, which is above the 82% average across all industries. The data implies that the sector is restarting with 13.6% of manufacturing businesses restarting trading after a pause in trading, along with 20.6% of construction firms (2nd highest)***.
- There have been a number of coronavirus business support schemes set up such as the Small Business Grant Fund to help businesses survive the Covid-19 pandemic
- BDO reported that in May the manufacturing sector regained around half of the losses sustained between March and April due to the easing of lockdown legislation****. Build UK has been working with contractors who are working away from home find accommodation.

Greater Brighton Economic Board Priorities

1. Greater Brighton Partnership has secured revenue funding for 11 projects, which will provide 5,042 new jobs, of which many will be construction jobs. Ensuring that the projects are still able to be completed will help ensure the construction jobs will be created. Additionally, there is an opportunity for new projects with an expected over half of the planning system and an introduction of special development zones, along with an expected announcement from Rishi Sunak that is thought to include extra infrastructure spending in order to kick start the economy
2. Low Carbon (Eco Tech), Advanced Engineering Centre (AEC) at the University of Brighton are researching more efficient automotive engineering performance, and this ties in with a local push for a reduction in car usage. Developments such as its revolutionary recuperated split-cycle engine can help position themselves favorably for a post Covid-19 world focusing on reducing carbon emissions. This would help tap into the potential of a greener recovery which offers an opportunity to embed climate and productivity positive behaviors including changes to travel routines and reducing the reliance on fragile supply lines*.
3. Innovation within the sector needs to be supported, as pre Covid survey results highlighted a lack of innovation within the sector due to economic uncertainty. In order for the sector to recover innovation is necessary. Focusing on the changing transport demand in a post covid world through increasing EV charging points could increase both opportunities for local manufacturing as well as offering employment in the low carbon transport sector.
4. There is an opportunity to provide necessary training and apprenticeships to compensate for the historical failure to provide the necessary training for non-university bound school leavers ***** , finding premises, training and apprenticeships were cited as one of the main ways in which businesses needed support *****
5. Lobby government to prioritise Crawley as a Green New Deal growth hub for green technological development and manufacturing which would enable long-term resilience to future shocks. In line with this, a focus on domestic markets would create resilience for both the industry and the UK economy as a whole.
6. Provide one to one support for local businesses to help them access the Future Fund, a scheme offering convertible loans between £125,000 to £5million to innovative companies.
7. The manufacturing sector will need property that is in line with social distancing measures. The Board should work with commercial agents to make sure space needs are being met, and to look at how public assets could be better used to accommodate the sectors evolving requirements.
8. There is an opportunity to apply the learnings of the Covid-19 pandemic in order to increase local supply chain resilience. Businesses should be supported with shared responsibility and collaboration among companies and authorities to address social and environmental challenges*****.

*Greater Brighton, Greater Brighton engineering firm swaps pistons for PPE in Covid response, 18th April 2020

**Wallbox, Can Electric Vehicles Speed Up As The Economy Slows Down?, 2nd May 2020

*** ONS, Business Impacts of Covid-19 data, Wave 4, 4th May to 17th May 2020

**** BDO, Manufacturing output starts its long climb back to health as UK begins to emerge from coronavirus lockdown, 4th June 2020

***** Policy Exchange, The Training we need now.

***** Greater Brighton and West Sussex Business Survey, 2014

***** Economics Observatory, Can policy steer us towards a greener and fairer recovery?, 4th June 2020

Public health

Baseline Prospects

- Latest data shows that the Health sector in GBCR employs 56,000 people, with the majority of those employed in Brighton and Hove. However the health sector accounts for 29% of Worthing's employment*.
- The public administration, health and education employed 43,200 people in 2016, and was a growing employment sector with a 13% uplift since 2011. Brighton has a local specialism in hospital employment, with 10,000 people employed in the sector**. Around 37% of residents are in part time jobs, with 43 % of the part time workers in Greater Brighton City Region work within the public administration, education and health sector.
- The public sector has traditionally been a key sector for the Greater Brighton economy, with 31% of people in Greater Brighton employed in public administration, education or human health and social work activities***.
- The green technology and life sciences sectors are some of the strongest in the Greater Brighton area, with the new Bio-innovation Centre continuing the strengths of the sector****.
- Greater Brighton is home to a number of hospitals with the Royal Sussex County hospital and the Princess Royal Hospital along with a vast number of care homes. The Brighton and Hove CCG (Clinical Commissioning Group) covers 35 practices.
- The health sector in Greater Brighton accounted for 4.63% of total businesses in 2016, which was greater than the South East average of 4.11%*****. The percentage share for Greater Brighton had seen an increase since 2010.
- The Brighton and Hove CCG has been working as part of the Central Sussex and East Surrey Commissioning Alliance which comprises of;
 - NHS Brighton and Hove;
 - NHS East Surrey;
 - NHS High Weald Lewes Havens;
 - NHS Horsham and Mid Sussex; and
 - NHS East Surrey.

COVID-19 Challenges

1. The Covid-19 pandemic has caused a large decline in the number of patients visiting A&E and GP services, with the number of A&E visits in England halving since the coronavirus outbreak started (the lowest level since records begun). The backlog of treating seriously ill patients could take months to tackle, especially as the local commissioning group highlights cancer treatments as an area that needs improvement and increased efficiency*****.
2. The Department of Health and Social Care (DHSC) announced that 1.48 billion items of PPE had been delivered since the start of lockdown. However there have been questions raised as to the quality of some of the items that have been supplied, and the speed and efficiency with which they have been rolled out.
3. Care homes in the UK have experienced unprecedented deaths as a result of Covid-19, according to ONS figures, up to May 1st there had been 8,312 deaths in care homes in England and Wales. This figure represented a quarter of all deaths associated with the virus. The government announced that 131 social care staff had died as a result of Covid – with ONS estimating that care staff are twice as likely to die as healthcare workers.

*BRES, 2018

**Regeneris, Brighton and Hove Economic Strategy, Socio-Economic Evidence Base, April 2018

***Greater Brighton City Deal

****Brighton and Hove Economic Strategy 2018 to 2023

*****Adur and Worthing Economic Strategy 2018 to 2023

*****Brighton and Hove CCG annual report 18/19

Public health

COVID-19 Response & Opportunities

- The government borrowed £89 billion in April, more than in any previous month on record. With the government releasing £3.6bn of funding to local authorities, in order to help the adult social care sector*.
- The UK's ageing population means there is unprecedented demand for healthcare and old-age social care services. Digital health will become increasingly important in delivering on-demand healthcare. Brighton and Hove's strength in this sector may be able to take advantage. This is especially prevalent during Covid-19 with the need to isolate those at greatest risk, while also ensuring access to healthcare.
- The acceleration of the graduation of final year medical students allowed them to apply for early provisional registration and become junior doctors to help staff hospitals, especially due to the low death rate of under 40s from Covid-19.
- Since mid April there have been tentative signs of recovery, almost entirely driven by vacancies in health and social care**. With a report by LinkedIn showing clear signs of growth in the sector as healthcare has experienced a 5.4% increase on hiring increases compared to this time last year***
- Greater Brighton based pharmaceutical firm Roche received backing from UK public health officials for its coronavirus anti-bodies test. Additionally, the University of Brighton's Advanced Engineering Centre have used their expertise to test PPE equipment in order to make sure it is of the requisite quality.
- IHS Markit have predicted that the main growth sectors for 2020 will be healthcare related – specifically the life sciences. Revenues at Inspiration Healthcare in Manor Royal have reported a 27% increase in revenue in the first quarter of 2020, which doesn't include contracts won for the supply of ventilators to the NHS (both contracts in excess of £5m).

Greater Brighton Economic Board Priorities

1. The future of the office market is expected to be heavily revolved around health and wellbeing and especially circulation within buildings***. With a thought to position the area as a satellite office location The Board should ensure that there is sufficient officing to accommodate the future of office demands.
2. With the healthcare sector expected to be a growth sector in the years post Covid-19 Greater Brighton is in a prime position to be a leader in the field. Vent-Axia are the leading ventilator manufactures in Britain and are committed to improving indoor air-quality. Additionally a report by the Royal College of Pediatrics and Child Health indicates that respiratory problems among children could be exacerbated by poor ventilation in homes, schools and nursery's.
3. Use the local wealth of R&D and university capabilities to build on the strengths in clean/green growth and life sciences to develop opportunities for growth and innovation in the public health sector.
4. Following Covid-19 it is expected that healthcare will remain a priority for at least 18-24 months. According to Mckinsey the success of the healthcare industry will revolve around the adaptability to key shifts and reacting to the emergence of new growth opportunities and diversification. Much of the advancement is expected to revolve around AI-based diagnostics, online screening and the physical layout of the infrastructure. The hospitals and healthcare facilities should be checked in order to ensure that the layout is flexible with designs that maximize infection control. GBEB hospitals Royal Sussex County hospital and the Princess Royal Hospital should be prompted to ensure the layouts meet the requirements of future demand.

*IFS, Cash borrowing by the public sector was £89 billion in April 2020, far more than in any previous month on record, 2020

**IFS, Job vacancies during the Covid-19 pandemic, 19th May 2020

***LinkedIn, Impact of Covid-19 on industries in the UK, 6th April 2020

**** Manor Royal BID, Revenues surge at Inspiration Healthcare in Manor Royal,

*****The Impact of Covid-19 on Commercial Real Estate, Costar

Subject:	Greater Brighton Pitch for Place & Inward Investment Desk		
Date of Meeting:	14 July 2020		
Report of:	Chair, Greater Brighton Officer Programme Board		
Contact Officer:	Name:	Clare Mulholland	Tel: 01273 291026
	Email:	clare.mulholland@brighton-hove.gov.uk	
Ward(s) affected:	All		

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

- 1.1 In July 2019, the Board approved two projects aligned to its Five-Year Priorities and the 'International' theme. The first was the establishment of an inward investment resource as recommended by the Board's Inward Investment Strategy and the second was the development of a Greater Brighton 'Pitch for Place', a place making narrative, which is the result of the Futureproofing the City Region event in March 2019.
- 1.2 In November 2019, the Board commissioned Breeze Strategy to deliver both projects. This paper outlines the basis behind the city region's place narrative, how this is key to attracting investment and the preferred approach to securing inward investment through the utilising of existing resource and the establishment of a pro-active desk.

2. RECOMMENDATIONS:

- 2.1 That the Board recognise and accept that post-Brexit and post-COVID, the role of place narrative and inward investment is key to Greater Brighton's recovery and future growth and approve the overall direction of the narrative and proposed approach towards inward investment.
- 2.2 That partners agree that a level of funding is required for an Inward Investment Desk service. The report suggests that the minimum level of funding for an efficient service is £250,000 per year, although there are options beneath this. The Board agrees that work should commence to identify the most appropriate potential sources for this funding, including Local Enterprise Partnership and national government funding, to resource the desk from 2021/22.
- 2.3 That the current team utilise existing resource to continue to develop and deliver elements of the plan, where possible, and report back on progress at the end of 2020 the work undertaken to date.

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 In July 2019, the Board approved an allocation of funding to be used to develop a place narrative to promote the City Region as a destination for investment, learning and a centre for the UK's visitor and cultural economy. This work started with the Futureproofing the City Region event held in March 2019 and which helped to shape some early thinking.
- 3.2 From this, the Pitch for Place proposal was developed and included an allocation of £15,000 to compliment and support the inward investment activity described in the other key proposal in this paper. The Pitch for Place proposal included the following objectives:
- Understanding and articulating the ingredients of the region's 'story'.
 - Collating the distinctive qualities of the region and developing a series of statements on what we are and where we have come from (history/heritage), where we are now and where we want to be in terms of investment, education, visitors.
 - A set of statements specific to Greater Brighton which draw on the commonalities between the different local authority areas and neighbourhoods.
 - A dissemination and promotion plan linked to the work of the inward investment desk if approved.
- 3.3 The second project was to procure specialist support with experience in the inward investment field, to get things moving. Key tasks would include;
- Acting on behalf of Greater Brighton in responding to enquiries from DiT and elsewhere,
 - Working with Greater Brighton officers and partners on activities to profile the region,
 - Responding to the outcomes of the business survey as regards trade
 - Establishing links with the region's commercial estate agents and, in partnership with local authority leads, acting as a conduit between local opportunities and potential investors
 - Establishing a framework for an inward investment service that is both pro-active and responsive
 - Helping to build the business case for future funding of posts, including a bid for longer term funding in 2020/2021.

Pitch for Place

- 3.4 The suggested framework for the Pitch for Place proposition, messaging and narrative aims to provide the region with a highly usable, flexible and relevant way of communicating with target audiences. The place narrative has an overarching statement about the region as follows:

Greater Brighton is Europe's most exciting, agile and welcoming business region. Perfectly positioned between London and England's south coast, we are building something really special where innovators and entrepreneurs can thrive in places that combine connectivity and creativity.

From London to Brighton, through the stunning Sussex countryside and South Downs, we're harnessing the strengths of an area in ways that

respect our history and natural assets and where we are proud of our strong values of independence, diversity and inclusivity. Above all though, this is a welcoming place that embraces newcomers and encourages new thinking.

On the doorstep of Europe's biggest city, with our global connections from Gatwick Airport and fast rail connections right into the heart of London, this is a place where businesses can reach new markets with ease, without compromising on a unique quality of life which helps to attract and retain talented people with the skills and creativity that your business needs.

- 3.5 This can then be accompanied by several different compelling aspects, highlighting specific strengths which can be used with target audiences.

Global Connectivity
Creative Talent
Proven Business Region
Highest Qualities of Life
Growing Places

- 3.6 It is also recognised that University of Sussex has emerging research specialisms in quantum technologies with seven research groups covering Quantum Computing, Quantum Clocks, Quantum Imaging, Quantum Enhanced Measurements, and Quantum Simulations. There may be opportunities for specific R&D innovations in quantum technology to provide disruptive capabilities and new products and services for numerous industry sectors.
- 3.7 The place narrative will be used within various digital assets and on several platforms such as the Greater Brighton website, LinkedIn, Twitter, YouTube and communications such as Zoom/Teams.

- Words - using these where appropriate and tailoring to different audiences
- Images - must identify and use strongest possible imagery
- Videos - snappy sector case studies, endorsements, fly-overs
- Stats - collate and share latest statistics that back-up the narrative
- Accolades - track and use third-party accolades that support the pitch
- News - monitor and share positive news that builds on the pitch
- AR/VR - investigate latest tools that facilitate virtual place marketing

Most importantly, it will become a resource for the inward investment activity.

Inward Investment Desk

- 3.7 Greater Brighton is under-performing for inward investment. Given the strength of its business advantages, high-quality connectivity, talent and lifestyle, Greater Brighton should have been attracting a far larger share of the more than 1,000 annual foreign investment projects. In the last figures pre-COVID-19, the UK recorded increased foreign investment in 2019 and the South East was the second-best region outside of London. Yet Greater Brighton was not represented in the top 20 UK destinations and the latest DIT figures show only a small handful of project successes.

- 3.8 In the post-Brexit, post-COVID world, Greater Brighton's economic recovery companies, jobs, investment and talent pose significant challenges. Every competitor location will be keener than ever to win new projects and Greater Brighton simply cannot continue to be a by-stander in this battle.
- 3.9 A Greater Brighton Inward Investment Desk (GBIID) needs to be created and resourced if the area is to compete successfully. There is an opportunity to create an agile, smart and lean investment team that reflects the changing realities around the 'new normal' both in terms of what businesses are looking for and how they can be engaged. Building a different type of inward investment service can be a real competitive advantage for Greater Brighton.
- 3.10 The GBIID should have a remit across five key areas:
- Product Development - provide feedback to partners on the competitiveness of Greater Brighton's offer to inward investors and highlight gaps or weaknesses in the proposition
 - Business Retention & Expansion - have deep knowledge of existing inward investors in Greater Brighton and monitor opportunities to grow and identify threats to survival
 - Partnership Leverage - guide and leverage local, regional and national partners that are able to help engage potential and current investors, avoiding duplication and maximising value
 - Place Promotion - using the Pitch for Place messaging to deliver greater consistency and clarity in novel ways that support the primary aim of successful engagement with investors
 - Smarter Investor Targeting - creating new research and intelligence tools that provide a pipeline of opportunities and engaging with prospects in a professional manner.
- 3.11 Following extensive consultations and analysis of recent and current inward investment flows, demand and likely growth areas, a targeting plan has been developed that considers the biggest opportunities for Greater Brighton to be:
- New Tech FDI - typically high-growth technology companies fuelled by venture capital looking for their first UK/European base.
 - Recent FDIs - companies who have made the decision to come to the UK in the last 1-2 years, but who are in serviced offices (especially in London) and have not yet become rooted to a particular location.
 - UK High-Growths - any company showing significant growth prospects where the owners are looking for an expansion (or relocation).
 - Existing FDIs - the foreign-owned companies already in Greater Brighton represent a vital opportunity that is currently not being approached in any systematic way.
- 3.12 The GBIID will target these audiences by using a research and intelligence approach which will track opportunities and engage decision-makers using a combination of direct approaches and channels. Unlike traditional inward investment teams, the GBIID will eschew expensive mass market tools like international trade shows and advertising and become a pioneer for virtual lead generation and leveraging new tools and processes.
- 3.13 The delivery structure required for this plan involves two business managers; one focussed on engaging with existing investors and one focussed on new

prospects, supported by a research officer. This lean structure requires highly competent people armed with a range of research tools, but crucially depends on the support from existing resources from the Greater Brighton Communications Team. Within the optimum funding model there would be a range of communications activities from the website, blogs, hosted webinars and virtual site tours that will support the desk's work.

- 3.14 Based on an assessment of the tasks, challenges and opportunities for Greater Brighton, and cognisant of the difficult funding environment post-COVID, there needs to be a minimum level of funding for the service of £250,000 per year. Four options have been discussed to date based on different levels of staffing and associated activities. In broad terms these offer potential steps along the way to the preferred optimum structure outlined above. It is important to note that the proposed Inward Investment Desk is key to the recovery of the City region and the wider Coast to Capital region and so funding should be a priority.
- 3.15 Breeze Strategy and the GBEB will work to identify the most appropriate potential sources for the funding of the desk, including both from the LEP and other government sources as well as private sector funding.
- 3.16 Partnership working is key to the successful operation of the desk, with local economic development teams, the Local Enterprise Partnership (LEP), Department for International Trade (DIT), academic and business partnerships across Greater Brighton. This should always recognise gaps in existing provision rather than duplicate the work of others.
- 3.17 The GBIID should report to the Board on a regular basis (to be agreed) and inward investment should be a standing item on the officer board. A transparent approach to tracking and reporting the numbers of prospects, leads and activities is key to demonstrating and measuring the added value of the desk's work.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 The rationale for a Greater Brighton inward investment desk has been highlighted by a number of reports and strategies in recent years. This report suggests a work programme that seeks to build a deliverable plan of action and identify appropriate funding, governance and staffing of the service. The need for this service was clear before the current pandemic - the need to rebuild and recover the Greater Brighton economy now makes it an imperative.
- 4.2 A do-nothing approach would indicate that previous approval for the need of this work has now been de-prioritised due to the current situation. However, as pointed out in 3.8, in a post COVID 19 world, the Greater Brighton region needs investment. No support for inward investment would limit the potential recovery and economic growth of the region.
- 4.3 The recommended budget allocation is a best-case scenario and with the financial pressure faced by local authorities may not be a feasible option in the short term. There are options to phase up to this level of funding and these could be explored.

5 COMMUNITY ENGAGEMENT & CONSULTATION

Adam Breeze from Breeze Strategy has consulted with all Greater Brighton Economic Board members and strategic partners for the development of both the Pitch for Place narrative and the Inward Investment Desk. A list of these consultees can be provided.

The Greater Brighton Officer Programme Board have been consulted on both pieces of work and will continue to be consulted and updated on progress as and when required.

6 CONCLUSION

The Greater Brighton city region is not performing economically as well as it should be. Given the strength of its business advantages, high-quality connectivity, talent and lifestyle, Greater Brighton should be attracting a far larger share of the more than 1,000 annual foreign investment projects. To do this, the Greater Brighton place narrative must be adopted by the Board in all communications activity and resource provided for an Inward Investment Desk as has been described within this paper.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 A minimum annual level of funding for the Inward Investment Desk service has been identified at circa £250,000 per year from 2021. Four options have been identified depending on the level of staffing and activities and these are detailed in the 'Greater Brighton Inward Investment Main Report' appendix. Further work will be required to identify options for potential sources of funding, including Local Enterprise Partnership, national government funding and potential private investor funding. Funding for the 'Pitch for Place' strategy has been met from the Greater Brighton Operational Arrangements Budget.

Finance Officer Consulted: Rob Allen, Principal Accountant

Date: 05/07/2020

Legal Implications:

- 6.2 None.

Lawyer Consulted: Joanne Dougnaglo, Senior Property Lawyer

Date: 03/0/20

- 6.3 Equalities Implications:

None.

- 6.4 Sustainability Implications:

None.

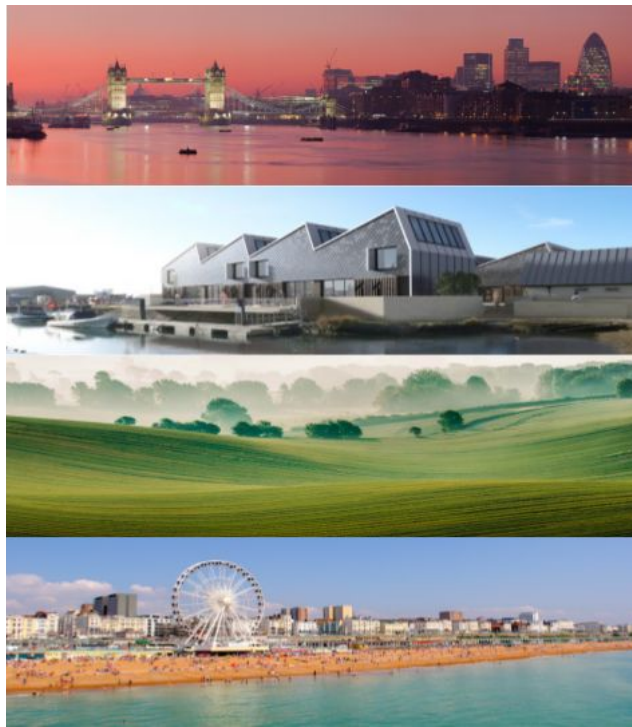
SUPPORTING DOCUMENTATION

Appendices:

1. Greater Brighton Pitch for Place
2. Greater Brighton Inward Investment Desk Report

Greater Brighton Inward Investment Desk

Pioneering a New Approach for the New Normal



Breeze
Strategy for Business & Place

DRAFT: 22 June 2020

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Executive Summary

- The rationale for a Greater Brighton inward investment desk has been highlighted by a number of reports and strategies in recent years. This current work programme seeks to build a deliverable plan of action and identify appropriate funding, governance and staffing of the service. The need for this service was clear before the current pandemic - the need to rebuild and recover the Greater Brighton economy now makes it an imperative.

- Greater Brighton is under-performing for inward investment. Given the strength of its business advantages, high-quality connectivity, talent and lifestyle, Greater Brighton should have been attracting a far larger share of the more than 1,000 annual foreign investment projects. In the last figures pre-COVID-19, the UK recorded increased foreign investment in 2019 and the South East was the second best region outside of London. Yet Greater Brighton was not represented in the top 20 UK destinations and the latest DIT figures show only a small handful of project successes.

- In the post-Brexit, post-COVID world, Greater Brighton's economic recovery needs inward investors. The retention of existing businesses and the attraction of new companies, jobs, investment and talent pose significant challenges. Every competitor location will be keener than ever to win new projects and Greater Brighton simply cannot continue to a by-stander in this battle.

- A Greater Brighton Inward Investment Desk (GBIID) needs to be created and resourced if the area is to compete successfully. There is an opportunity to create an agile, smart and lean investment team that reflects the changing realities around the 'new normal' both in terms of what businesses are looking for and how they can be engaged. Building a different type of inward investment service can be a real competitive advantage for Greater Brighton.

- The GBIID should have a remit across five key areas - 2 primary and 3 supporting:

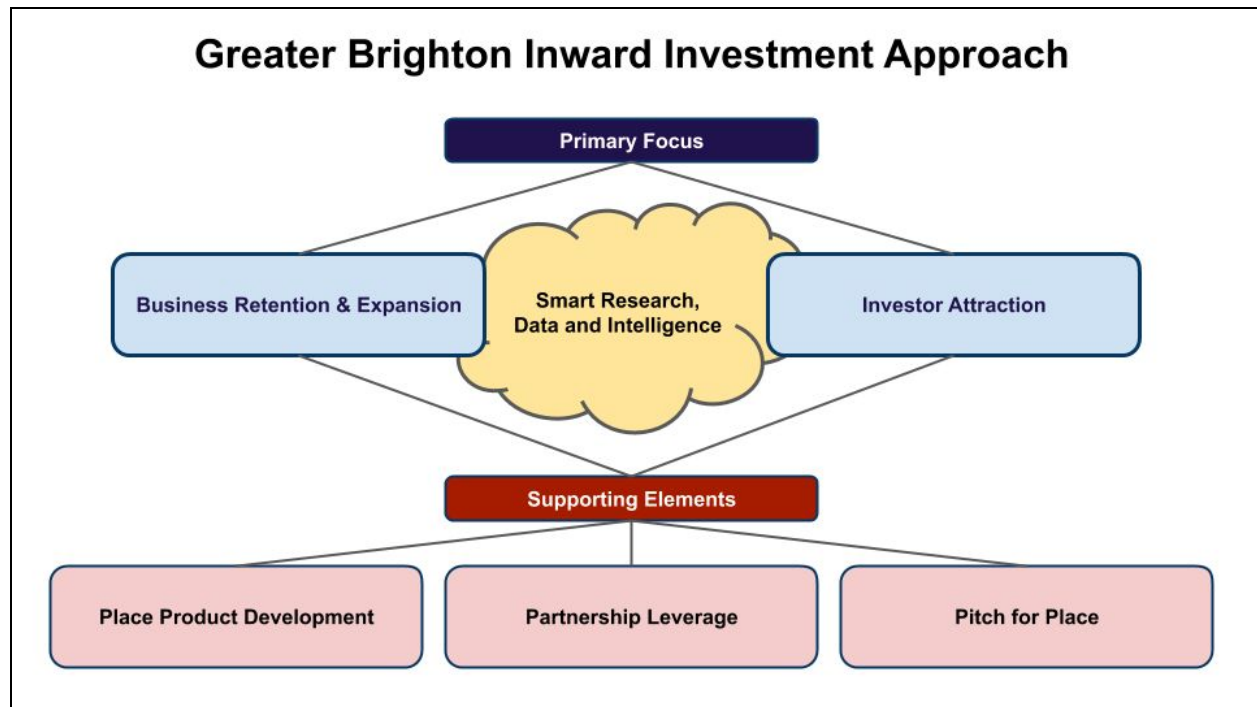
Business Retention & Expansion - have deep knowledge of existing inward investors in Greater Brighton and monitor opportunities to grow and identify threats to survival

Smarter Investor Targeting - creating new research and intelligence tools that provide a pipeline of opportunities and engaging with prospects in a professional manner

Place Product Development - provide feedback to partners on the competitiveness of Greater Brighton's offer to inward investors and highlight gaps or weaknesses in the proposition

Partnership Leverage - guide and leverage local, regional and national partners that are able to help engage potential and current investors, avoiding duplication and maximising value

Place Promotion - using the Pitch for Place messaging to deliver greater consistency and clarity in novel ways that support the primary aim of successful engagement with investors



- Following extensive consultations and analysis of recent and current inward investment flows, demand and likely growth areas, a targeting plan has been developed that considers the biggest opportunities for Greater Brighton to be:

New Tech Inward Investors - typically high-growth technology companies fuelled by venture capital looking for their first UK/European base.

Recent Inward Investors - companies who have made the decision to come to the UK in the last 1-2 years, but who are in serviced offices (especially in London) and have not yet become rooted to a particular location.

UK High-Growths - any company showing significant growth prospects where the owners are looking for an expansion (or relocation).

Existing Investors - the foreign-owned companies already in Greater Brighton represent a vital opportunity that is currently not being approached in any systematic way.

- The GBIID will target these audiences by using a research and intelligence approach which will track opportunities and engage decision-makers using a combination of direct approaches and channels. Unlike traditional inward investment teams, the GBIID will eschew expensive

mass market tools like international trade shows and advertising, and become a pioneer for virtual lead generation and leveraging new tools and processes.

- The delivery structure required for this plan involves two of business managers - one focussed on engaging with existing investors and one focussed on new prospects - supported by a research officer.
- This lean structure requires highly competent people armed with a range of research tools, but crucially depends on the support from existing resources from the Communications Team. Within the optimum funding model there would be a range of communications activities from the website, blogs, hosted webinars and virtual site tours that will support the desk's work.
- Partnership working is key to the successful operation of the desk, with local economic development teams, the LEP, DIT, academic and business partnerships across Greater Brighton. This should always recognise gaps in existing provision rather than duplicate the work of others.
- The GBIID should report to the Board on a quarterly basis and inward investment should be a standing item on the officer board. A transparent approach to tracking and reporting the numbers of prospects, leads and activities is key to demonstrating and measuring the added value of the desk's work.

Recommendations

1. That the GBEB recognise and accept that post-Brexit and post-COVID, the role of inward investment is key to Greater Brighton's recovery and future growth.
2. That the GBEB approve the overall direction of the proposed plan.
3. That partners agree in principle that from 2021 a minimum level of funding for the service of £250,000 per year is required and that they will work to identify most appropriate potential sources for this, being both creative and ambitious.
4. That the current team continue to develop and deliver elements of the plan where possible and report back on progress at the end of 2020.

1. Introduction

The rationale for a Greater Brighton inward investment desk has been highlighted by a number of reports and strategies in recent years. This current work programme seeks to build a deliverable plan of action and identify appropriate funding, governance and staffing of the service. The need for this service was clear before the current pandemic - the need to rebuild and recover the Greater Brighton economy now makes it an imperative.

This review was commissioned for Greater Brighton Economic Board in December 2019 and the consultations and research which have informed it span the period before and during the coronavirus pandemic.

The review makes assumptions about the likely impact of COVID-19 on global business and the forecasted global recession. There is no clear roadmap for this time in history and the unthinkable has become the norm. As such, we have made our best assessment of the future requirements, approach and tactics that will help Greater Brighton to regain the lost momentum and further build on its reputation as a great business location.

About the Author

This work has been produced by Breeze Strategy is the inward investment and place marketing consultancy based in Manchester, England. Our work is led by founder Adam Breeze, the former national head of inward investment for England.

Adam has helped hundreds of companies to establish new facilities around the world and has advised national government agencies and local inward investment teams for twenty-five years.

Our client list includes major corporates like BMW, Pfizer and Marks & Spencer, and foreign direct investment (FDI) teams at government agencies such as UK Department for International Trade, Tennessee Department of Economic & Community Development, Invest in Ontario, North Carolina's Piedmont Triad Partnership, Berlin Partner, Invest in Bavaria, Business Stockholm and local economic partnerships across UK, US and Canadian cities.

Our approach to inward investment and FDI is based on a blend of using new tools to research, evaluate, target and engage; along with our personal connections and networks of key decision-makers, influencers and advisors.

www.inwardinvestment.co.uk

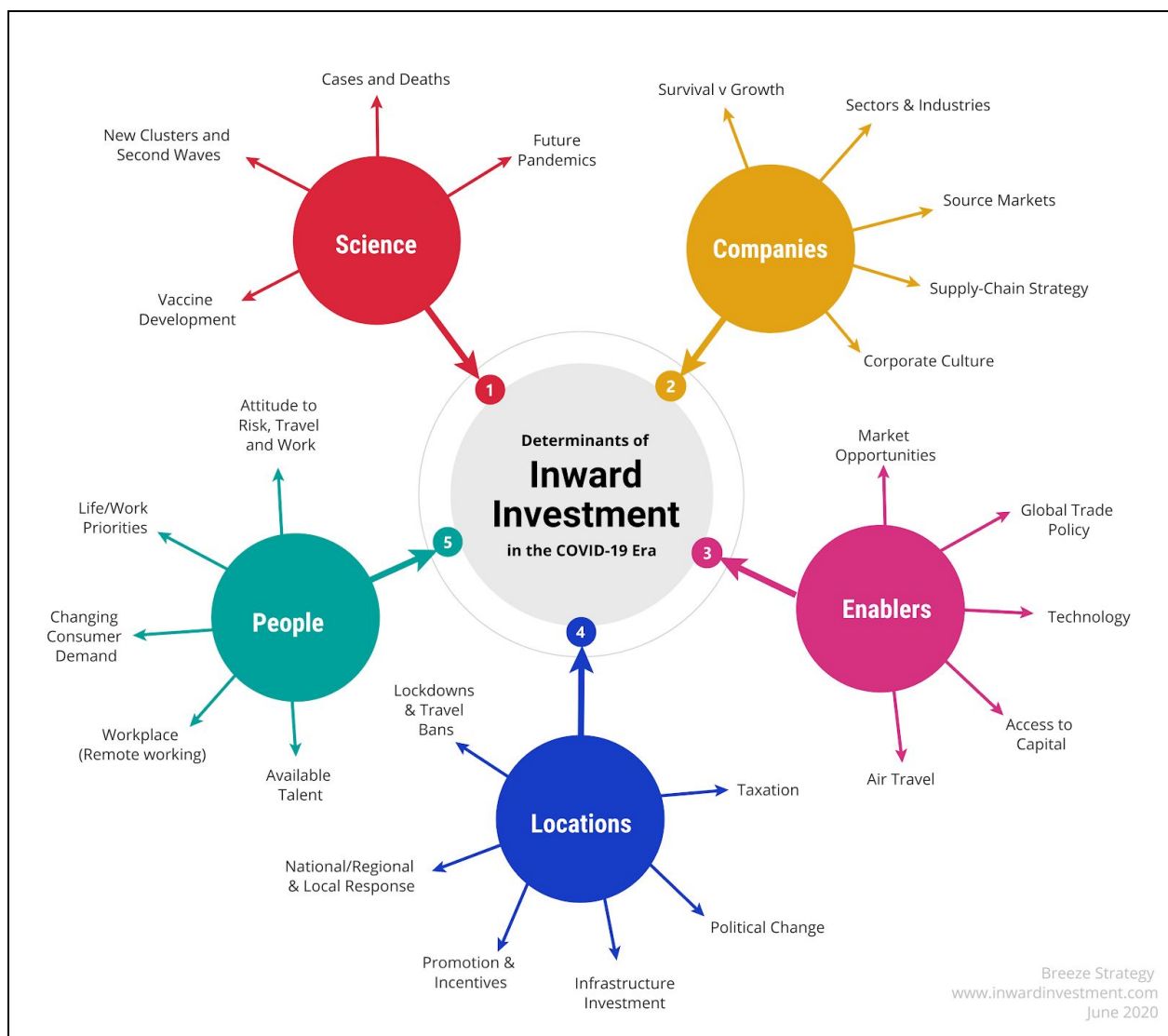
Definition Note

Throughout this paper the term ‘inward investment’ will refer to any project that results in a company or new jobs being created in Greater Brighton, irrespective of whether they are a UK or a foreign-owned business. This is a wider definition than that used by the Department for International Trade and Office of National Statistics which track only foreign-owned investments (which are defined as companies with at least 10 per cent foreign control).

2. Context

As this work was being delivered during the coronavirus pandemic, it is important to recognise and plan for the significant impacts of COVID-19 on the future of inward investment attraction. Our knowledge of these impacts are evolving but they are likely to include a number of elements, mostly which fall outside of the direct control of Greater Brighton partners.

The following diagram shows the key areas of impact that COVID-19 is likely to have:



Of the 25 considerations charted above, Greater Brighton partners can realistically hope to directly influence or control no more than two or three, although recognising the importance of the other impacts and helping companies to understand the new landscape can give the area a competitive edge.

Breeze Strategy believes that notwithstanding the phenomenal challenges of economic recovery (particularly in the aviation, travel and tourism sectors), there are a number of emerging impacts which present opportunities for Greater Brighton, such as:

- resilience of technology, creative and digital sectors
- reduced lure of London, commuting and crowded cities
- increased demand for high quality of life locations and work/life balance
- desire to 'build back better' using clean technology

The COVID-19 crisis makes it even more important that Greater Brighton 'ups its game' and presents an agile, aspirational and ambitious plan to retain, grow and attract inward investment.

Recent Inward Investment Performance

Greater Brighton is under-performing for inward investment.

Given the strength of its business advantages, high-quality connectivity, talent and lifestyle, Greater Brighton should have been attracting a far larger share of the more than 1,000 annual foreign investment projects.

According to EY, in the last figures pre-COVID-19, the UK recorded increased foreign investment in 2019 and the South East was the second best region outside of London. However, Greater Brighton was not represented in the top 20 UK destinations and the latest DIT figures show only a small handful of project successes.

The Department for International Trade will announce the UK's 2019/20 inward investment statistics in July 2020.

The Coast2Capital LEP area results for 2019/20 are:

Successes	30
Involved single-site	15
Involved multi-site	4
Non-involved	11
Total jobs	378

(please note that these are to be officially confirmed and may be subject to change)

The Greater Brighton picture is a subset of these and includes a number of significant expansions:

- Capgemini (France) opening new digital delivery hub for HMRC (Worthing)
- CAE (Canada) new flight training facility at Gatwick (Crawley)
- Hi Rez Studios (USA) setting up a new mobile gaming development team (Brighton)
- MAG Interactive (Sweden) expanding its games studio (Brighton)
- Unity Technologies (USA) new studio for gaming (Brighton)

New FDI: 6
Expansions: 5
Acquisitions: 5

DIT also reported that as of April 2020 there were a further 14 projects in the active pipeline and 16 in the prospect pipeline.

European Investment Monitor (EY)

An alternative source of inward investment statistics comes from EY and their annual Attractiveness Report which uses data from their European Investment Monitor. The EIM tracks new and expansion foreign investment projects each calendar year. Unlike DIT figures, EY do not count mergers and acquisitions.

UK Foreign Investment Projects by Region in 2019

	2019	2018
UK	1,109	1,054
Greater London	538	458
Scotland	101	94
South East	83	89
North West	73	70
West Midlands	64	83
Yorkshire & Humber	59	49
East of England	40	36
East Midlands	39	40
North East	30	36
South West	30	35
N.Ireland	28	33
Wales	24	31

Source: EY European Investment Monitor

UK Foreign Investment Projects by City in 2019

	2019	2018
London	538	458
Manchester	34	37
Birmingham	30	22
Glasgow	23	19
Belfast	22	20
Edinburgh	22	20
Leeds	20	21
Aberdeen	15	8
Bristol	15	10
Reading	14	12
Cambridge	10	10
Cardiff	10	8
Coventry	8	8
Derby	8	8
Liverpool	8	8
Sheffield	7	6
Sunderland	7	3
Newcastle	6	13
Milton Keynes	6	6
Nottingham	6	4
Rotherham	5	0
Crewe	5	0

Source: EY European Investment Monitor

It should be noted that there is no consistent or reliable data for relocation and expansion of domestic UK companies. This is, however, an important target market for Greater Brighton.

Future Vision

In the post-Brexit, post-COVID world, Greater Brighton's economic recovery needs inward investors. The retention of existing businesses and the attraction of new companies, jobs, investment and talent pose significant challenges. Every competitor location will be keener than ever to win new projects and Greater Brighton cannot continue to a by-stander in this battle.

A Greater Brighton Inward Investment Desk (GBIID) needs to be created and resourced if the area is to compete successfully. There is an opportunity to create an agile, smart and lean investment team that reflects the changing realities around the 'new normal' both in terms of what businesses are looking for and how they can be engaged. Building a different type of inward investment service can be a real competitive advantage for Greater Brighton.

3. Greater Brighton Overview

SWOT Analysis

Strengths

- Talent pipeline
- Global connectivity
- Quality of Life
- Existing business base
- Innovation and startup ecosystem
- Greater Brighton partners and support

Weaknesses

- Available sites and premises
- Supply of housing
- Profile
- Costs
- Skills availability
- Lack of investment promotion service

Opportunities

- Post-COVID 'New Normal'
- New foreign direct investment
- High-growth sectors
- London 'escapees'

Threats

- Future of Gatwick
- Competitor locations
- Government funding bias
- Post-Brexit impact
- Post-COVID global recession

Pitch for Place

Alongside the ongoing work to develop an inward investment desk, Breeze Strategy has been tasked with producing a new place narrative for Greater Brioghton (known as its Pitch for Place).

Following extensive consultation with key partners, a new proposition has been developed and is currently being refined that will provide partners with the content and messaging aligned to the wider inward investment work.

The suggested framework for the Pitch for Place proposition, messaging and narrative aims to provide the region with a highly usable, flexible and relevant way of communicating with target audiences. The place narrative has an overarching statement about the region as follows:

Greater Brighton is Europe's most exciting, agile and welcoming business region. Perfectly positioned between London and England's south coast, we are building something really special where innovators and entrepreneurs can thrive in places that combine connectivity and creativity.

From London to Brighton, through the stunning Sussex countryside and South Downs, we're harnessing the strengths of an area in ways that respect our history and natural assets and where we are proud of our strong values of independence, diversity and inclusivity. Above all though, this is a welcoming place that embraces newcomers and encourages new thinking

On the doorstep of Europe's biggest city, with our global connections from Gatwick Airport and fast rail connections right into the heart of London, this is a place where businesses can reach new markets with ease, without compromising on a unique quality of life which helps to attract and retain talented people with the skills and creativity that your business needs.

This can then be accompanied by several different compelling aspects, highlighting specific strengths which can be used with target audiences.

- Global Connectivity
- Creative Talent
- Proven Business Region
- Highest Qualities of Life
- Growing Places

The place narrative will be used within various digital assets and on several platforms such as the Greater Brighton website, LinkedIn, Twitter, YouTube and communications such as Zoom/Teams.

Going forward, the Pitch for Place will need to include elements such as:

- Words - using these where appropriate and tailoring to different audiences
- Images - must identify and use strongest possible imagery
- Videos - snappy sector case studies, endorsements, fly-overs
- Stats - collate and share latest statistics that back-up the narrative
- Accolades - track and use third-party accolades that support the pitch
- News - monitor and share positive news that builds on the pitch
- AR/VR - investigate latest tools that facilitate virtual place marketing

The Pitch for Place will become a critical resource for the inward investment desk and wider partners in providing an evolving framework around which to build specific content for different types of audiences.

4. A New Approach to Inward Investment

Even before the coronavirus took hold, our draft inward investment plan was based on creating a more agile approach based on smart research, opportunistic targeting and virtual lead generation. The lockdown period and subsequent global disruption make this kind of approach all the more relevant.

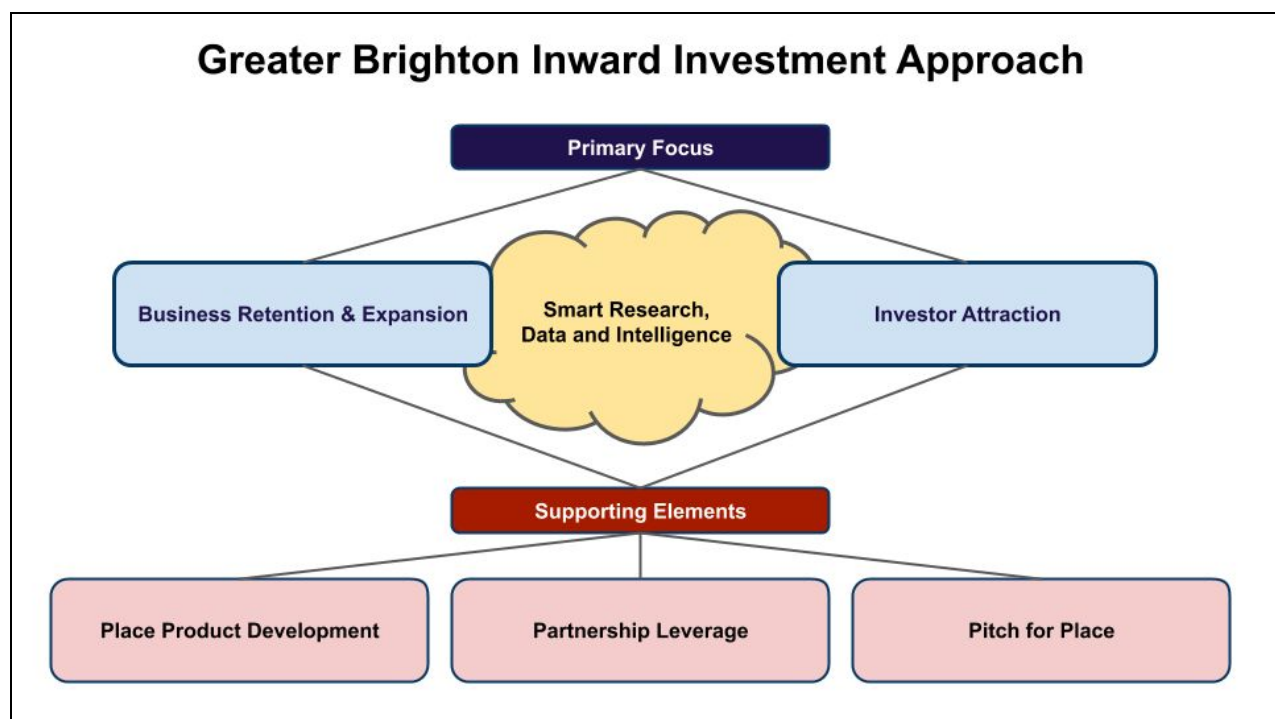
Greater Brighton's approach to inward investment will be based on the primary elements:

- **Business Retention & Expansion** (of existing inward investors in Greater Brighton)
- **Investor Attraction** (of new companies and projects)

These parallel strands require different channels and activities but they share three supporting elements:

- **Place Product Development** (improvement of location assets and services)
- **Partnership Leverage** (cooperation at local, regional and national levels)
- **Pitch for Place** (positive promotion of the proposition)

At the heart of the approach will be **Smart Research, Data and Intelligence** as a key driver.



Business Retention & Expansion

Projects from existing inward investors formed around two-thirds of UK foreign direct investment success in 2018/19. Whether referred to as ‘investor development’, ‘aftercare’ or ‘business retention and expansion (BRE)’, engaging existing companies should be a key element of the inward investment desk’s work.

The first task would be to create a database of all key strategic and foreign-owned companies with a presence in the area. An initial list of foreign companies in Greater Brighton is included in the appendix. The database should include:

- local contact details for its executives
- location and contacts for the UK HQ (if that exists)
- location and contacts for the global headquarters
- and where possible, a summary of the impact that COVID-19 has had

For foreign-owned companies, it is likely that key decision-makers are not located in Greater Brighton, but based overseas or at another UK location. This presents key challenges and opportunities. In the very best cases, there could be a coordinated management of key foreign companies with Greater Brighton managing local relationships with DIT staff based in overseas markets working in parallel to engage headquarters decision-makers.

The inward investment desk should act as a key broker between local authority partners and DIT posts in relevant overseas markets. The desk should monitor and track developments that impact on the future retention or growth of investment; but specific engagement should be done at the local level wherever possible.

Local engagement will allow an assessment of how business is going and can sign-post to the kind of support that could possibly be offered for current activity (financing, recruitment, search for suppliers or partners, brokering partnerships for innovation, trade development, etc).

On a more strategic level (and via complementary meetings with global HQs), the business retention and expansion program should also focus on:

- gathering intelligence on possible expansions within other divisions of existing companies that might be suited to Greater Brighton
- following-up suggestions and referrals of potential targets (eg. customers or suppliers that may be considering expansion);
- securing testimonials and developing case studies that highlight positive experiences and provide input to value propositions.

We recommend more engagement with company executives at corporate headquarters of foreign companies since that is most often where expansion, disinvestment or consolidation decisions originate. Corporate HQs and their subsidiaries often have very different views of the world and understanding the overall dynamics within companies is important in assessing how best to safeguard investments or identify expansion opportunities.

A list of key businesses in Greater Brighton can be found in the appendix. This is by no means an exhaustive or complete list but provides the team with a starting point around which engagement with partners can be framed.

Investor Targeting

Inward investment targeting is undergoing major changes thanks to the availability of new tools and technologies. This was the case before coronavirus made such tools an imperative. The traditional marketing-led approach which relied on cold-calling, mailshots and trade show targeting is dead. New smarter approaches are now possible, which require more of a research and data-driven, sales approach to inward investment. Greater Brighton's inward investment desk can be a pioneer in this new approach.

Targeting Inward Investors

There are two distinct routes to engaging with potential prospects (whether FDI or UK) - one is to go direct to the specific decision-maker in a particular company; the other is to identify intermediaries who advise multiple companies. Both routes have their pros and cons, and the plan should include both.

Direct Channels

For most economic development teams the most difficult element of any business attraction or FDI plan is their proactive engagement with prospects. When targeting particular sectors or industries, it is easy to become overly focussed on broad brush marketing activities aimed at raising awareness in a particular target market or sector.

Corporate location decisions are typically high-value "purchases" with long sales cycles. As such, engaging with the market for investment attraction requires a very selective and customized approach. Approaching potential investors should be based on sophisticated intelligence and advanced research. Until a few years ago, traditional methods of lead generation included mass marketing; mailshots; cold-calling; trade shows; and advertising. All were methods of casting a very wide net in the hope of occasionally attracting something of vague interest. Now, thanks to online tools, opportunities are becoming easier to identify. The availability of online search and tracking tools, together with social media platforms such as LinkedIn, can be deployed to great effect. This means economic development teams do not need to deploy traditional mass marketing tactics. With this kind of methodology, Greater Brighton can compete more effectively in a crowded marketplace.

By adopting a high-value 'sales team' approach, with clearly researched named companies from well-defined sectors and niches, followed by a customized plan of contact, engagement and follow-ups.

The key to a successful approach to investor targeting starts with smart research, based on two parallel strands:

- undertaking targeted research of a sector or niche market (Proactive strand)
- establishing tracking and listening systems (Reactive strand)

- *Proactive* - Having identified the sectors and niches that have a good strategic fit with the location, a step by step filtering process might take several hundred companies in a sector, and reduce it to a more manageable list of targets (filtered by size, growth, profits, location or other criteria). In the case of Greater Brighton, several sub-sectors and niches have been identified as opportunities in this plan. From the filtering process, the most ambitious, growing businesses in each niche could be identified and researched in terms of their international plans. Using tools like LinkedIn, the most appropriate senior decision-maker should be engaged with a simple question about future growth plans. The responses should be followed up as appropriate and, if engagement is ongoing, a pipeline of intelligence and prospects will result.

- *Reactive* - Social media and online listening can uncover valuable corporate intelligence that can be used to target key decision-makers at businesses that are a potential fit with Greater Brighton. Highly targeted filters and news alerts (e.g. Google alerts) can be put in place to track opportunities using key triggers such as company acquisitions, venture capital injections, etc.

Intelligence can also be gathered via monitoring of highly targeted discussion groups, individuals and topics through Twitter and LinkedIn. The team should work to continually extend and improve their online networks, especially with leading intermediaries in the target sectors and niches. Although the technology is ubiquitous and freely available, for both the proactive and reactive strands, there is a skill in setting up the right processes and the ongoing monitoring can be time intensive.

Smarter Lead Generation

Real-time research and company intelligence is central to effective lead generation. There are different approaches to identifying potential investors but all require the knowledge and information that is increasingly available.

There are a number of tools that are marketed at inward investment teams in order to support proactive lead generation.

These include:

- Gazelle (<https://gazelle.ai/>) from Research On Investment (ROI)
- Velociti (<https://velociti.global/>) from OCO Consulting
- InvestmentFlow (www.wavteq.com/systems/wavteq-investmentflow/) from Wavteq
- FDI Markets (<https://www.fdimarkets.com/>) from the Financial Times

We do not recommend these initially, but suggest that they are reviewed in the future depending on budgets.

Creating an In-House Sales Process

The Greater Brighton inward investment desk should have a clear mandate and responsibility for focussing on the attraction of new investment and jobs in the area. To deliver on this, the team needs to focus on creating and maintaining a professional sales management process for inward investment.

The process would have the following core elements:

- Research and Intelligence

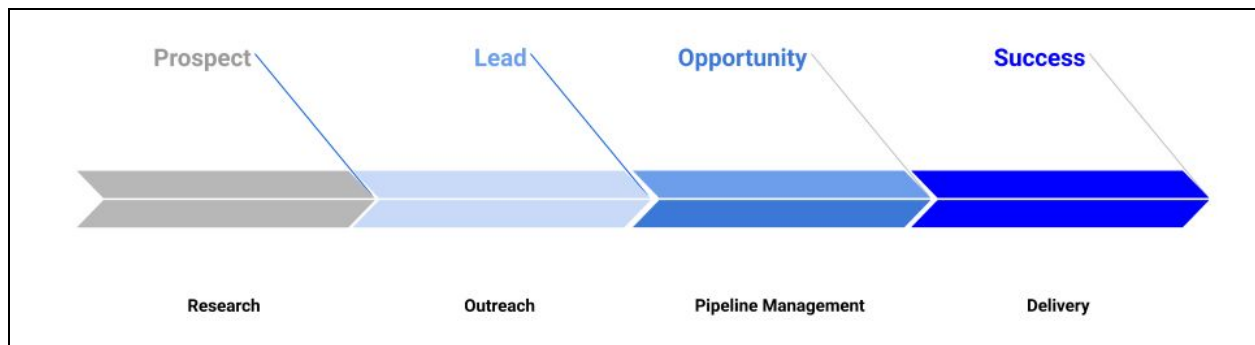
The team needs to put research and intelligence at the heart of all activity. An agile and smart hub which tracks news, deals, trends and intelligence, backed up by access to validation tools (most of which are available free of charge, whether they are corporate databases, company websites or LinkedIn). This activity could be resourced through one dedicated team member or, ideally, embedded across the team following some guidance and training.

- Outreach and Engagement

The research element will provide the prospects and opportunities which the team need to respond to and follow-up. This outreach and engagement step is a key part of the sales process and one which requires professional persistence in order to engage decision-makers.

- Pipeline Management

The third crucial element of an inward investment sales process is the development of a pipeline approach which sees 'prospects' turned into 'leads' and ultimately into 'projects'. The ability of the team to move companies through the pipeline demonstrates the real added-value of the Greater Brighton service. This includes regular updates, drip-feeding hooks of information relevant to each opportunity, and a sustained red-carpet experience in the eyes of the inward investor.



- A Note on Definitions

Prospect: valid target based on intelligence or research with potential in next 3 years

Lead: validated engagement with interest in receiving more information

Opportunity: specific project parameters, typically with a 18 month timescale

Success: conclusion of project with public announcement

Place Product Development

The attractiveness and strengths of Greater Brighton are not set in stone or frozen in time. The area's offer to potential investors should be constantly enhanced and improved to drive its competitiveness in an ever-changing and increasingly competitive marketplace.

Inward investment attraction should be seen as part of a holistic process of product (ie place) development, that is fully integrated into every element of economic development activity such as: schools, colleges and universities; talent attraction; skills development; availability of sites and property; financial incentives; infrastructure improvements (eg road, rail and sea); telecommunications (broadband, fibre and data centres); local facilities (shops, parks, restaurants, hotels) and cost-effective housing supply.

The starting point and principal foundation of the inward investment plan is what Greater Brighton has to offer to business. Some elements of the local offer are largely fixed, such as geographic location; demographics; transport infrastructure; universities and colleges. Other elements are ever-changing, such as industries and sectors; sites and premises; supply-chains; incentives and support.

Feedback Loops

The inward investment desk has an important function as the eyes and ears of the Greater Brighton Economic Board (GBEB) in the wider UK and international marketplace. Through ongoing engagement with potential investors and their advisors, the desk should gather intelligence and feedback that can be shared with colleagues across the region to inform on the aspects of the Greater Brighton offer that need improving. Understanding the reasons why companies do not choose to locate here are just as important as why they do. Feeding these reasons into other economic development programmes and projects is necessary if the area is to constantly enhance its offer in a relevant way.

Incubators and Accelerators

If Greater Brighton is serious about attracting globally ambitious tech startups and scaleups, then there needs to be consideration around the provision of specialist incubators and accelerators that can form a hugely attractive hook. There are opportunities to attract companies in high growth sectors in novel ways which facilitate greater integration with existing clusters of activity, alongside local businesses and academic institutions.

Soft-landing Package

The various services and support on offer to inward investors thinking about Greater Brighton should be made as clear as possible and communicated in a simple to understand manner. Packaging the services better will help with this. Consideration should be given to creating a 'Welcome to Greater Brighton Package'. Often this is part of a 'soft-landing' programme that is used to entice potential movers and is used effectively by successful inward investment teams such as:

Locate in Kent <https://www.locateinkent.com/plus-service/>

Marketing Derby <https://www.marketingderby.co.uk/red-carpet>

MIDAS www.investinmanchester.com/business-support/how-midas-can-help/hello-manchester

The 'Welcome to GB' package could include:

- information on market/skills/demographics
- available sites and premises
- practical information on travel
- free or discounted virtual and serviced offices
- free initial consultations with local legal, accounting, banking and recruitment experts
- brokered meetings with local business organisations
- site visits including logistical support
- information on incentives

Many of these elements already exist, but they would benefit from being packaged in a clear way.

Customer Service Excellence

The single element of the Greater Brighton inward investment offer that can be 100% controlled and perfected is the service that potential investors receive. Professionalism and customer service excellence is an underrated aspect of investment attraction.

Partnership Leverage

There are many people and organisations that are, in part, responsible for the attraction of FDI to Greater Brighton. Economic development teams working across the various local councils, the GBEB partners, LEP, DIT and trade bodies, all need to have a better awareness and understanding of the area's offer to potential investors. Building on the existing regional collaborations and ongoing discussions with adjacent areas should include:

- an acceptance that a win for one is a win for all
- understanding that the optimum Greater Brighton propositions draw on regional strengths
- agreement that winning investment should never be sacrificed for inclusivity
- sharing of local and regional intelligence, case studies and news
- joint initiatives to target intermediaries
- joint approaches to national government

Local Partners

The team enjoys good working relationships with key local partners such as the Chamber of Commerce and Universities which are useful but not necessarily a major priority in terms of focus. Local commercial property agents can be a useful source of market intelligence and potential inward investment enquiries.

Department for International Trade

The GBEB officers have a good emerging relationship with DIT staff, but there needs to be more focus on ensuring that the area is a valued part of the wider UK inward investment offer. There is scope to engage more with key overseas posts, especially those that are located in target markets. This should be achieved by identifying the DIT posts that would be of most interest and value to Greater Brighton. These individuals should then be approached with the offer of a 15 minute introductory or refresh call. These calls should be accompanied by a slide deck that would be sent in advance and talked through on the call.

Ongoing updates should then be provided on a quarterly basis through the sharing of a simple one-pager that highlighted interesting developments across Greater Brighton, with links to further information.

A particular focus on growing each member of the team's LinkedIn network reach into DIT and other partners will help with proactive targeting and approaches to companies.

Place Promotion

Raising the profile of Greater Brighton to the outside world is a laudable aim, but general place marketing initiatives need to be treated with great caution for the following reasons:

- It is a potentially bottomless pit that sucks infinite resources
- It does not have any direct relationship with attracting inward investment
- The scale of activity is often a potential distraction
- It's a means to an end rather than an end in itself (unlike attracting FDI which is an end)

Many UK cities have established distinct and well-funded place marketing vehicles (Marketing Manchester, Marketing Birmingham, Marketing Liverpool, Marketing Nottingham etc). These teams are increasingly being brought together to work alongside trade and investment functions but there is a recognition that fundamentally they are not the same thing.

The inward investment desk needs a clear remit with a sharp focus on attracting new investment, companies and jobs. Where this overarching objective requires promotional activity, such marketing is always a means to deliver the key objective and not an end in itself and should be delivered through partners.

5. Inward Investment Targeting Plan

The cornerstone of an effective inward investment plan is understanding the key potential targets in terms of types, functions, markets and sectors. Successful investment attraction requires a deep understanding of the opportunity demand, matched with how the region can provide profitable solutions to mobile businesses.

Many cities and regions adopt a sector approach, targeting a few key industries; while others deploy a broader plan to attract particular functions like headquarters, R&D or manufacturing, irrespective of the sector or industry.

Both sector and function approaches to inward investment targeting have their strengths but there is another route based on deep research, tracking data and gathering corporate intelligence on specific companies that have an expansion or relocation project.

This smart approach is bottom-up and makes greater use of ubiquitous news flows and data analytics - driven by largely free tools like Google News Alerts and LinkedIn, together with specific corporate databases.

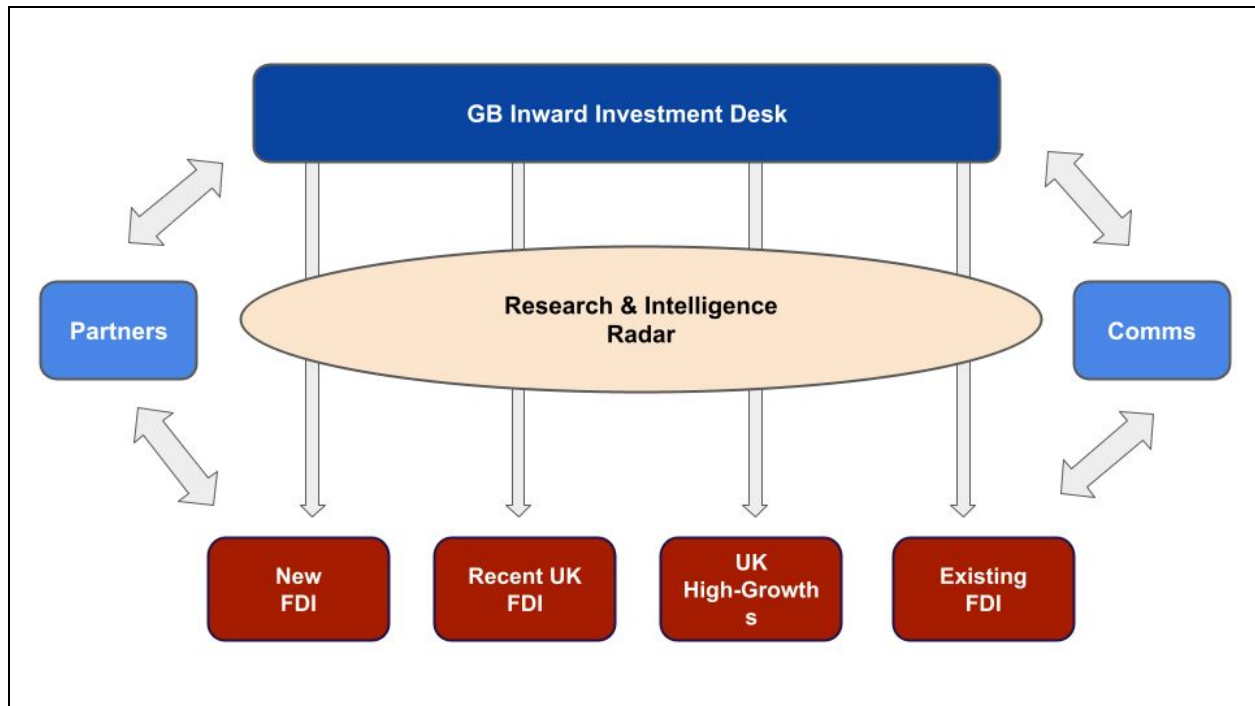
This smart approach is perfect for Greater Brighton as it does not require the larger teams found in other parts of the UK, nor does it depend on expensive place marketing activities. It means that the Desk will be able to identify opportunities for Greater Brighton, irrespective of sector or market using these smart tools.

Priority Audiences

Based on research into current and future inward investment demand and the strengths of the Greater Brighton area, the following priority audiences have been identified:

- **New Tech Inward Investors** - typically high-growth technology companies fuelled by venture capital looking for their first UK/European base.
- **Recent Inward Investors** - companies who have made the decision to come to the UK in the last 1-2 years, but who are in serviced offices (especially in London) and have not yet become rooted to a particular location.
- **UK High-Growths** - any company showing significant growth prospects where the owners are looking for an expansion (or relocation).

- **Existing Investors** - the foreign-owned companies already in Greater Brighton represent a vital opportunity that is currently not being approached in any systematic way.



With smart research, market intelligence and deal-flow monitoring these potential inward investors can be readily identified; and using LinkedIn and other platforms and tools, decision-makers can be engaged directly and in real-time.

Target Personas

An essential part of the Greater Brighton Inward Investment plan that will underpin the messaging around Pitch for Place, is the identification of target audiences.

Audiences can be complex and broad-ranging. They are geographically diverse and have often very different decision-making drivers and issues to consider.

It is useful to segment audiences in order to manage communications in an effective way. It often helps to give each audience a specific persona rather than a generic description.

The table below segments, prioritises and details the kind of target audiences that need to be kept at the forefront of all future inward investment activities in order to retain clarity and avoid dilution of message and reach.

For each target, a typical persona has been created as an example - both in terms of the company, its decision-maker and key influencers.

	Location	Priority	Market	Example and Persona
Key Target Audiences				
New FDIs	Global	1	500/year	Silicon Valley based tech startup with 50 staff and more than £20m of venture capital. Driver: Considering establishing a European presence Issues: Access to market? First hires? Tech hotspots? Decision Maker: CEO in San Francisco Influencer: VC Investor and Board Member in US
Recent FDIs	Lond/SE	1	500	US software company which moved to London in last two years. 100 staff, 3 in the UK. Driver: Planning next phase of UK growth Issues: Access to talent? Growth? Costs? Quality of Life? Decision Maker: CEO in New York Influencer: UK Country Head in Thames Valley/London
UK High Growths	UK	1	1000s	Cambridge scaleup company enjoying fast-growth and expansion. Driver: Planning future growth Issues: Access to talent? Growth? Costs? Quality of Life? Decision Maker: MD in Cambridge Influencer: HR Director
Existing FDIs	Local	1	100-200	Japanese electronics firm with 80 staff near Gatwick, been in the UK for 20 years. Driver: Making case for survival post-pandemic, post-Brexit Issues: Access to customers? Productivity? Costs? Decision Maker: Board in Tokyo Influencer: UK Director

Indirect Influencers				
Intermediaries	London	2	50-100	<p>London-based accountant specialising in setting up foreign companies in the UK.</p> <p>Driver: New customers/business</p> <p>Issues: Need credible information, compelling narrative and useful contacts</p> <p>Influencer: Specialist Partners/Directors in UK HQ</p>
External Partners	Global	2	50-100	<p>Locally-recruited Department for International Trade advisor based in Atlanta, USA.</p> <p>Driver: Supporting UK inward investment</p> <p>Issues: Need credible information, compelling narrative and useful contacts</p> <p>Influencer: DIT post</p>
Broader Audiences				
Local Businesses	Local	3	40,000	<p>Family-run engineering firm based in Worthing with 30 staff.</p> <p>Driver: Business survival post-pandemic and future growth</p> <p>Issues: Access to customers? Finance? Productivity? Costs?</p> <p>Decision Maker: Local owner/managing director</p> <p>Influencer: Local senior management</p>
External Entrepreneurs	Global	3	1000s	<p>Wealthy Dubai-based property investor..</p> <p>Driver: Looking for future growth hotspots</p> <p>Issues: Access to opportunities? Access to markets? Global reach?</p> <p>Decision Maker: Entrepreneur</p>
Alumni	Global	3	150,000	<p>Singapore-based 30-something graduate from University of Sussex.</p> <p>Driver: Being proud of their university with fond memories</p> <p>Issues: Great place to live, work and play</p> <p>Influencer: Alumni</p>
Local Residents	Local	3	1 million	<p>40-something office worker living in Burgess Hill and working in Brighton.</p> <p>Driver: Being proud of their place</p> <p>Issues: Great place to live, work and play</p>

				Influencer: Resident
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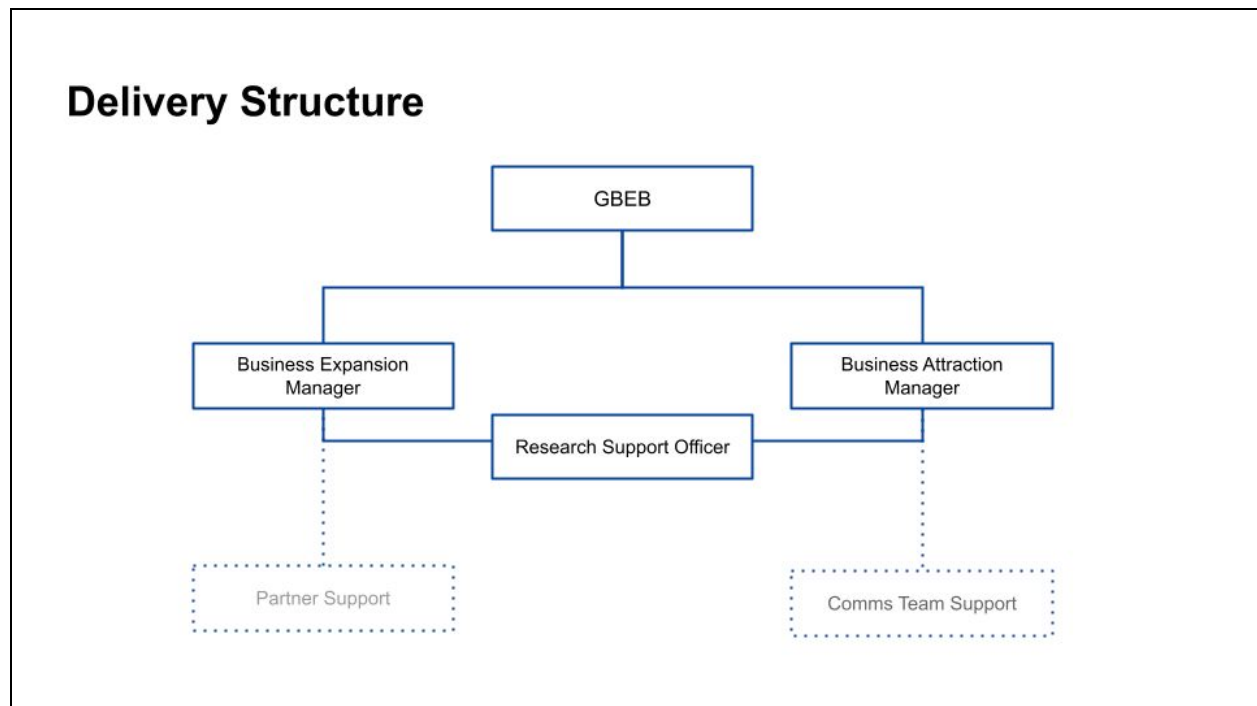
6. Suggested Delivery Structure

Breeze Strategy has worked with and reviewed hundreds of inward investment teams in every part of the UK and internationally. This knowledge and experience has informed the proposed structure for the Greater Brighton Inward Investment Desk.

Rather than adopting an existing ‘off the shelf’ model used elsewhere, the proposed structure is based on the unique dynamics of the Greater Brighton area and in acknowledgement of existing work being carried out by many partners; the changing possibilities given technology and virtual lead generation; and the realities of current funding and income streams.

A lean and agile inward investment desk is proposed for Greater Brighton that will be unique in the UK and will pioneer new ways of working, smarter identification of opportunities and more effective engagement with target audiences.

The delivery structure required for this plan involves two of business managers - one focussed on engaging with existing investors and one focussed on new prospects - supported by a research officer.



The roles and responsibilities of the Desk team can be summarised as:

Business Expansion Manager

- Focus on retaining and growing existing inward investors in Greater Brighton
- Monitor developments relating top 50 foreign-owned companies
- Liaison between local authorities, LEP and DIT partners
- Provide advice, research and support to local authority EDOs
- Work with DIT locally and relevant overseas posts to identify opportunities

Business Attraction Manager

- Focus on attracting new inward investors in Greater Brighton
- Lead on proactive targeting of foreign, first-time investors considering UK
- Monitor recent inward investors that have landed in UK (esp. London)
- Liaise with intermediaries and alumni in target sectors and markets

Research Support Officer

- Provide research support to both managers
- Manage research subscriptions
- Coordinate news alerts and filter opportunities
- Input to enquiries and partner responses

This lean structure requires highly competent people armed with a range of research tools, but crucially depends on the support from existing resources from the Communications Team. Within the optimum funding model there would be a range of communications activities from the website, blogs, hosted webinars and virtual site tours that will support the desk's work.

This approach also requires close partnership working with other organisations and teams involved in different aspects of inward investment. These include:

- economic development teams at the councils
- the Coast2Capital LEP team
- Gatwick Diamond Initiative
- Department for International Trade
- local universities and colleges
- business partnerships across Greater Brighton

The desk will identify gaps in existing provision and seek to add value to the complex process of inward investment rather than duplicate the work of others. All of the above partners have been consulted as part of this work and are supportive of the collaborative approach being taken.

In terms of governance, the inward investment desk should report to the Board on a quarterly basis and inward investment should be a standing item on the supporting officer's board. A

transparent approach to tracking and reporting the numbers of prospects, leads and activities is key to demonstrating and measuring the added value of the desk's work.

Options and Costs

Based on an assessment of the tasks, challenges and opportunities for Greater Brighton, and cognisant of the difficult funding environment post-COVID, there needs to be a minimum level of funding for the service of £250,000 per year. Breeze Strategy and the GBEB will work to identify most appropriate potential sources for this, being both creative and ambitious.

Four options have been discussed to date based on different levels of staffing and associated activities. In broad terms these offer potential steps along the way to the preferred optimum structure outlined above.

	Posts	Activity	Cost per annum
1	Recruit all 3 FTE posts	Enhanced Comms	£250k
2	Recruit 1 manager, 1 officer	Modest Comms	£120k
3	Existing managers +1 officer	Enhanced Comms	£100
4	Existing managers +1 officer	Modest Comms	< £50k

7. Action Plan

The following elements have been selected as being key to deliver the business engagement of local and regional companies, as well as being the appropriate toolbox for promoting the area to specific niche target audiences.

New Ways of Working

The restriction on travel and the introduction of safe-distancing has revolutionised how we do business. It remains to be seen whether this is a short-term phenomena or permanent, but all the signs are that when people find smarter ways of working that are safer, more efficient and offer enhanced productivity, they tend to be long-lasting.

Economic development, and particularly inward investment promotion, involves direct engagement with external decision-makers, often overseas. In the past, this has meant a significant amount of national and international travel. While inward investment teams already make great use of video conferencing and other remote tools, the default shift from face-to-face meetings to Skype, Zoom or Teams calls is likely to be a natural evolution, spurred by the necessities of the Covid-19 crisis.

The inward investment desk should be armed with all the necessary video conferencing subscriptions to be able to engage flexibly with potential investors. Consideration should be given to creating a range of professional backgrounds for conference calls - whether they are being made from home or the office. Having an image or map (easily attachable to a wall perhaps) which reinforces the place narrative would be useful.

Website

Greater Brighton needs an inward investment website.

When travel is restricted, the availability of reliable, strong and positive messages delivered through the website is essential. The website should serve as the purpose of articulating the 'pitch for place' narrative, along with being the 'go to' repository for all information, collateral and support contacts that any potential investor would need. This informational store is also critically useful for partners to use too and should include the latest data; slide decks; maps; images; video and useful links to additional sources of information.

The existing Greater Brighton website is an appropriate vehicle for partners and government, but it is not suitable as an outward facing investment promotion website. The desk needs the flexibility of being able to add and edit content that can be repurposed across social media.

Given the intense competitive landscape for inward investment, there can be no excuses for having suboptimal web presence. The rather clunky and old-fashioned local government sites across the region do not reflect well on the area and its ambitions.

Smart, well-designed and impactful websites that should be regarded as best-in-class exemplars include:

- Ottawa <https://www.investottawa.ca/why-ottawa/>
- Waterloo <https://www.waterlootedc.ca/>
- Helsinki <https://www.helsinkibusinesshub.fi/>
- Stockholm <https://www.investstockholm.com/>
- Tennessee <https://tnced.com/>
- Jacksonville <https://jaxusa.org/>

Social Media

As with many elements of this plan, having a great social media presence both individually as well as a team and location, was increasingly important before the pandemic - now it is an imperative. A key part of embracing new techniques in virtual lead generation and being able to engage target decision-makers directly requires a professional approach to LinkedIn, in particular.

Twitter - a dedicated Invest in Greater Brighton Twitter account would give the desk the ability to promote the proposition and to better engage with potential investors. The existing Greater Brighton feed is very good, and could fill this role, although the messaging is slightly different (for example, messaging around North-South funding inequities would not be something to promote to businesses looking to come into the UK). Best practice Twitter accounts to check out and replicate similar types of content would be @WaterlooEDC and @Invest_Ottawa.

LinkedIn - the LinkedIn presence of GBEB officers is improving but there is still some way to go - both in terms of corporate and individual pages. Consideration should be given to creating an Invest in Greater Brighton LinkedIn Group which would share positive business news stories and help to spread awareness of the various opportunities and propositions.

YouTube - an Invest in Greater Brighton YouTube channel should be developed to create, curate, showcase and share the best content available. Examples of useful content would be 'talking heads' 30 second clips of people saying how great the area is and a few fly-throughs of the key business sites. These do not need to be professionally shot, and should be shared

across social media platforms to reinforce the messaging. Best practice examples include the videos produced by Tennessee ECD - see <https://www.youtube.com/user/TNECD>

Instagram - We would not suggest prioritising Instagram at this stage, but in future it would be useful to extend the business messaging and use some stunning photography to support the proposition.

Facebook - Facebook can be really useful for engagement with existing local businesses and regional networking, however, we do not see Facebook as being a priority for external audiences at this time, but should be considered in the future.

Research and Data

Successful investment attraction requires having accurate data on demographics; workforce; skills; sector strengths and available sites and properties. This is particularly important in the post-Covid period when so many statistics will be in a state of flux. Given the evolving circumstances and potential for big changes in data, the team should offer potential investors a bespoke data and intelligence service based on their own specific requirements.

Photography

Imagery has always been hugely important in conveying the very best qualities and advantages of your place. There is no excuse for ever using stock photography and generic images in place marketing. Great photography should be sourced and used in all web and social media communications. Imagery that stresses positive work-life balance and uncrowded places are likely to have more resonance in the future.

Mapping

Putting your location in its geographic context is especially important when communicating with targets from outside the UK. Demonstrating where Greater Brighton is relative to London and its accessibility to Europe and beyond, needs to be specifically shown through optimised mapping. Maps should not simply be lifted from existing sources, but rather the very best possible design should be used to highlight key assets.

Advertising

Advertising is an expensive and largely ineffectual tool for attracting inward investment. It is used to try and raise awareness and interest in a location, but it is increasingly regarded as a

blunt instrument in economic development and one that is rarely a priority. The rise of social media brings opportunities for paid-for online advertising. The team could test advertising on LinkedIn and Twitter. This can be a cost-effective way of raising profile among very specific target audiences. As with all forms of advertising, it should be approached with very clear objectives; compelling content; a direct 'call to action'; and be monitored and measured constantly to evaluate its impact and effectiveness.

Ads on Twitter and LinkedIn are most effective when they drive traffic to specific content. Timing is all-important and campaigns should be planned around specific events or themed activities (eg when tied to a particular issue or webinar). Having a regular blog that can be used as a landing-page for any campaign gives maximum flexibility and provides an opportunity to generate more profile and traction from great content.

PR & Communications

Inward investment projects will undoubtedly be fewer in the short and perhaps medium-term. Locations will be faced with job losses and economic decline making the attraction of new investment all the more important. These twin truths mean that you cannot afford to be silent in the weeks and months ahead. Positive, consistent and clear messaging should be delivered through a Communications and PR Plan which focuses on the creation of compelling and shareable content in the form of regular blogs, articles and news items which reinforce the pitch for place narrative and key selling messages.

A simple communications plan could look like this matrix:

Month	Message	Blog	Webinar	Socials	Trade PR
Sept	FDI Resilience	x		x	
Oct	Alternative London HQ Proposition	x		x	
Nov	Tech ScaleUps	x	x	x	x
Dec	Creative/Culture	x		x	
Jan	CleanTech	x	x	x	x
Feb	Aviation/Mobility Tech	x		x	x

Whether content is created by the team, by marketing colleagues or through an outsourced PR agency, there should be a plan to create and share content that will be of interest to the key

target audiences. There could be extensive use of guest bloggers and webinar presenters that support the Greater Brighton messaging.

The Adur and Worthing communications team currently provides Greater Brighton with support around PR and media. There is scope to enhance the role that the team plays in support of inward investment activities. The existing in-house expertise, especially with regard to content creation, website, social media and media relations can be a critical resource for the GBIID.

Trade Shows, Events and Conferences

Events had been a staple of inward investment attraction for decades but their effectiveness is being increasingly questioned in recent years - the coronavirus has put a major question-mark over their future.

Even before the current pandemic, we believed that trade shows and big international gatherings were not fit-for-purpose. After many years of attending, targeting, organising, exhibiting and sponsoring trade shows and industry seminars and conferences in every corner of the world, we believe that their usefulness for economic developers is on the decline. This is a result of the cost and time involved; the travel and logistics; the lack of senior decision-makers present and, perhaps most importantly, the availability of alternative means to engage people.

Promoting a positive image through good news stories needs to be a whole community effort, although the team can play a critical role in facilitating and sharing curated content from the area. While the website has traditionally been the 'go-to' place for good business news, there are innovative new tools that make faster and more direct sharing possible.

Online Trade Shows and Virtual Trade Missions

The inevitable decline of major trade shows and conferences will lead to more event organisers switching to virtual events. It is unclear as to the effectiveness of these and whether there is a place for them in the investment promotion toolbox. What is clear though is that the traditional trade show model was broken before the pandemic and its usefulness in inward investment diminished.

Webinars

The rise in the availability of free inward investment webinars under lockdown has opened up new possibilities for networking, place promotion and for professional development. Identifying appropriate webinars should form part of the ongoing activity plan, and attending ones hosted by partners such as DIT should be seen as an opportunity to raise the profile of Greater

Brighton among key audiences and demonstrate proactive engagement and an 'open for business' message. The team should prepare questions or points to raise at the Q&A segment, which will help to profile Greater Brighton's pitch for place messaging.

The inward investment desk should work with partners to co-host webinars every few months in order to maintain the flow of positive messaging and to use them as part of the targeting and engagement work. Consideration should be given to sponsoring webinars that are likely to attract the right target audiences.

Virtual Site Visits

A number of inward investment teams have been pioneering virtual site tours during the pandemic and the results have been very positive. Participants report that having a more focussed virtual visit utilising the latest technologies, not only made it easier for participants logistically but enabled more senior executives to take part directly because of the more efficient use of time.

Augmented Reality and Virtual Reality tools now allow for meaningful experiences to be created to promote locations and specific sites and premises. Showing the wider context through the assimilation of mapping, videos and 3D renders, potential investors are able to walk-through a local area and see how their future office or factory unit could look. Given the presence of cutting-edge VR/AR companies in the region and assets such as Brighton Immersive Lab at FuseBox and research at both universities, Greater Brighton should lead the way in demonstrating the value of new tools and there is scope for collaborating with local creative teams to showcase the possibilities.

Research and Intelligence

There is a vast amount of research and data available that helps to inform and filter potential inward investment targets. Costs vary from free or low-cost to extremely expensive, but for Greater Brighton, there are a number of valuable research sources and news tracking tools which can dramatically transform the team's ability to spot trends, identify prospects and engage with targets. These include:

- **LinkedIn Premium** (£480 per annum per user)

<https://www.linkedin.com/premium/switcher?planType=None>

Deep searching and the ability to send 15 in-mails each month. Essential tool for business engagement for each team member.

- **Crunchbase Pro** (£270 per annum)

<https://www.crunchbase.com/>

Great live global database of companies receiving investment. Can build target lists and export.

- **Endole** (£358 per annum)

<https://www.endole.co.uk/>

Comprehensive UK company database, deep financial and ownership information. Can use to build target lists by UK location, size and/or sector.

All of the above have free versions and trial offers, but we would recommend that all three of these are essential to the workings of the inward investment desk.

Tracking and Pipeline Management

Like any professional sales team, having a robust CRM system is central to achieving the best results. The tracking and management of target companies from prospects to leads and their conversion into successful projects should be a core function of the team. Weekly, monthly and annual reminders to follow-up should create an ongoing pipeline of activity for the desk, which lends itself to regular evaluation and monitoring of success.

Many inward investment teams offer a property search service. In most cases, currently available sites and premises are held on a public facing database accessible through the teams' website.

The two main platforms used are Evolutiive and Tractivity, both with 10+ years of working with inward investment teams. A new entrant is ZoomProspector from the US.

The role of a property search function in an inward investment service varies depending on the geography. It can be extremely useful for local and regional companies, especially smaller movers, but is rarely a critical factor for national and international enquiries.

The benefits and added-value of creating and maintaining a comprehensive and accurate database of available sites and premises are clear, but this comes at a cost.

Systems vary in cost but tend to be around £10-12,000 depending on options and users. Some teams pay additional annual fees to populate the database - Estates Gazette charges £3,800 for an automatic feed of properties and Alcium (the company behind Evolutive) charges £3,500 for a manual bespoke update service.

Having worked with both systems for many years, Breeze Strategy has no particular preference and both offer comparable levels of functionality and service.

A bigger question is whether or not to have either service at all.

The pros of using an external platform are:

- Professional looking value-added service
- Having a self-serve search facility reduces the time spent on smaller, non-priority enquiries
- Provides good source of data of what demand is
- Helps forge better relationships with property agents

And the cons are:

- Can be expensive (especially when add-ons and customisation is required)
- Relies on staffing resource to keep information up-to-date
- Providing a full market picture does not necessarily reflect well on the area
- Improvements in freely available alternatives

Some examples:

Locate in Kent (ZoomProspector)

<http://kentuk.zoomprospector.com/>

MIDAS (Tractivity)

<https://www.investinmanchester.com/business-support/property-search>

Invest Edinburgh (EG PropertyLink)

<https://www.investinedinburgh.com/supporting-business/find-commercial-property/office-accommodation/>

Business Birmingham (no public search facility)

<https://businessbirmingham.com/how-we-help/property/>

Given available resources and focus of work, the key question is whether it is the role of a local authority or other public sector team to be the providers of a comprehensive property search service. For Greater Brighton, the existing free searches provided by companies should be sufficient to signpost to. These include:

- **EG Property Link** <https://propertylink.estatesgazette.com/>
- **RightMove** <https://www.rightmove.co.uk/commercial-property-to-let.html>
- **Zoopla** <https://www.zoopla.co.uk/to-rent/commercial/>
- **OnTheMarket** <https://www.onthemarket.com/for-sale/commercial/>
- **NovaLoca** <https://www.novaloca.com/>

The ability to search available commercial property and sites to rent or buy is a powerful tool, especially with the functionality to specify a radius (for instance, “30 miles around Brighton”)

In future, should budgets allow, there could be a case made for investing in property market intelligence tools like CoStar which can be used by the team to provide companies and partners with regular market intelligence reports; can be used to supplement lead generation activity (through looking at lease breaks in target markets and sectors); and which can be used to supplement any enquiries that have a property element.

See: <https://www.costar.co.uk/customers/local-national-government>

Indirect Channels

Intermediaries and Advisors

Indirect approaches are important in building a strong and trusted referral network. Corporate decision-making around expansion, contraction, relocation or consolidation is rarely done in isolation. The role of external advisors, specialists, site selectors and intermediaries such as accountants, bankers and lawyers is crucial in FDI and the Greater Brighton approach needs to take account of this.

Identifying and targeting the advisors and influencers that are regularly involved in location and expansion decision-making is one of the most cost-effective and sustainable routes to attracting FDI.

These intermediaries can be specialist FDI consultants; sector and market specialists in professional firms; influential bloggers and broadcasters; policy-related advisors in government agencies and trade associations. They might be senior specialists at a bank, accounting practice, law firm, HR/executive recruiters or commercial property agents.

For each of these target groups, there should be a clear process that develops mutually beneficial relationships. The key elements to an effective intermediaries campaign are:

- identify – building a database of contacts
- communicate – tailored messages on a regular (e.g. quarterly) basis
- engage – group webinars or individual calls
- visit – get interested targets to visit for a (physical or virtual) tour

Alumni Engagement

Greater Brighton has internationally renowned education assets from its world-class universities to a host of public and private schools. Students who have attended these establishments provide a potentially useful conduit to future inward investment - especially from overseas.

Many of these alumni are now in positions of seniority and influence at key companies and organisations. They are a latent pool of ambassadors for Greater Brighton who can amplify the region's offer in target markets. Similar to the engagement of prospects, there needs to be a direct and bespoke approach, rather than any formal ambassador programme. The team should be tasked with identifying and engaging a specific number of key alumni contacts each month that fit target criteria and provide interesting opportunities to engage.

Working with the alumni offices of the universities is a great way of ensuring that the Greater Brighton pitch for place is communicated far and wide. LinkedIn offers a more direct and bespoke way of identifying interesting alumni in key sectors and markets.

According to LinkedIn:

	Total on LinkedIn	USA	Germany	France	CEOs	Non-UK CEOs
Univ of Brighton	76,367	1,988	1,074	1,095	2,593	973
Univ. of Sussex	86,823	6,401	1,238	1,393	3,687	1,692
Brighton Met	8,806	310	44	113	324	133
Total					6,604	2,798

These 6,604 chief executives represent a key target audience - and the 2,798 overseas CEOs should be systematically targeted.

8. Monitoring, Review and Evaluation

The inward investment desk should have clear and transparent targets which should drive activity and be broken down by weekly and monthly, quarters and annual targets. These targets should be reviewed on a regular basis and their reporting to GBEB partners will form an important part of the transparent approach on which the desk is founded.

These activity metrics could be along the lines of:

- Number of Prospects Identified (5 per week, 250 per year)
- Number of Prospects Approached (2 per week, 100 per year)
- Number of Prospects Engaged
- Number of Prospects moved to Leads
- Number of Leads Approached
- Number of Leads Engaged
- Number of Leads moved to Projects
- Number of Intermediaries Approached (1 per week, 50 per year)
- Number of Partners Approached (1 per week, 50 per year)
- Number of Alumni Approached (5 per week, 250 per year)

Core outputs that will be monitored should be:

- Number of new inward investment projects
- Number of new jobs created
- Number of expansions of existing inward investors
- Number of new jobs created by expansions

The work and outputs of the desk should be reviewed formally each year with the assistance of external evaluators and/or 360 degree feedback from partners and clients.

9. Next Steps

The work by Breeze Strategy is ongoing until the end of 2020.

The next phase of the commission will focus on:

- Exploration of potential short, medium and long-term funding models
- Ongoing identification of inward investment opportunities
- Development of inward investment research and intelligence process
- Further inward investment training of core team and partners
- Rollout plan for Pitch for Place

Greater Brighton Pitch for Place

(1,400 words)

Europe's most exciting, agile and welcoming business region.

Perfectly positioned between London and England's south coast, this is a special region where innovators and entrepreneurs thrive in beautiful places that combine connectivity and creativity.

In challenging times, the future is being shaped by places that adapt, pivot and rewrite the rulebook.

Welcome to Greater Brighton.

From London to Brighton, through the stunning Sussex countryside and South Downs, we're harnessing the strengths of our area in ways that respect its history and natural assets. A place where we are proud of our strong values of independence, diversity and inclusivity. Above all, this is a welcoming place that embraces newcomers and encourages new thinking.

Global Connectivity

On the doorstep of Europe's biggest city, with global connectivity from Gatwick Airport, this is a place where businesses can reach new markets with ease.

Our local, national and global connectivity puts you closer to the people, customers, suppliers and opportunities you need to succeed.

We are proud to be home to London Gatwick, one of Europe's busiest airports. More than 46 million passengers every year fly to around 230

destinations in over 70 countries, including more than 60 long-haul network routes. Gatwick serves more destinations than any other UK airport, so for globally ambitious businesses, our connectivity to Europe, Asia, America and Africa is truly unbeatable.

Fast and frequent trains connect London Victoria, London Bridge and St Pancras with our key locations, taking as little as 30 minutes. This brings you closer to the UK's largest workforce catchment and one of the world's leading business hubs, and just one change from direct trains to our close European neighbours in Paris, Brussels, Amsterdam and Cologne too.

Our road network is being constantly upgraded and improved. Being just a few miles from the M25, London's orbital motorway, we've got easy access to the capital and the rest of the national road network.

15 million people live within an hour of Greater Brighton which is great for recruiting staff and for reaching more customers.

As you would expect with miles of stunning coastline and beaches, our sea access to the rest of Europe and beyond is another key benefit. Our ports at Shoreham and Newhaven provide opportunities for businesses shipping goods in and out of the UK and cross-channel passenger services to France.

The post-Covid 19 world demands digital as well as physical connectivity. As a leading tech location, we are agile, we adapt and we're early adopters. We are leading the testing and roll-out of 5G testbeds in both urban and rural areas, creating robust and resilient networks. Whether you are Zooming from home, Skyping on the go or hosting virtual Teams meetings, this is a place built for flexible working.

Creative Talent

This is a place where smart people want to live, choose to study and stay to work.

Our dynamic and talented people have a well-deserved reputation for pushing the boundaries of what is possible and applying independent thinking to create innovative solutions.

It shouldn't surprise you that we're a hotbed of research and entrepreneurship. We have one of the highest proportions of creative businesses and the most startups per capita in the country.

World-class research and teaching at the University of Sussex and the University of Brighton attracts around 40,000 students from around the world. International strengths in advanced engineering, science, technology and digital industries create opportunities for businesses to collaborate and innovate.

Our excellent schools and colleges, such as Greater Brighton Metropolitan College with its five campuses in Brighton, Shoreham and Worthing, ensure that the roots of our talent pipeline run deep into our communities.

Proven Business Region

This is a tried and tested, successful and trusted place to build your business. Across our region, entrepreneurs are turning startups into more than a thousand scaleups.

We've got local businesses that have been here for more than a century, who are expanding and investing in new facilities here.

And these local champions are being joined by companies from every corner of the world that have chosen to make Greater Brighton their home.

Our international employers include the likes of Roche Diagnostics, Allergy Therapeutics, Boeing, Thales, L3, Raytheon, American Express, Doosan, Thales and Tokyo Electron.

From designing high-performance electric engines to finding a vaccine for coronavirus, our companies are making a difference and creating a better world.

Highest Quality of Life

Businesses locate here because of our strategic location and access to talent. People choose to live and work here thanks to the very highest qualities of life that make this such a unique place.

From the edge of Europe's most popular big city, through the market towns and traditional villages in the stunning Sussex countryside and South Downs National Park, to our famous beaches and coastline around Brighton.

This is a place that people want to visit, where they aspire to work and which gives them the freedom to love their best lives.

Both urban and rural, coexisting in harmony. Beautiful. Spacious. Relaxing. Safe. Exciting. Diverse. Modern. Fun.

We embrace newcomers, we support and share, we champion change and we are proud of our strong community values.

Growing Places

We are a region of diverse places, united in a common goal of supporting and facilitating sustainable growth that improves lives and opportunities. Places like Brighton and Hove, Worthing, Crawley, Shoreham, Haywards Heath, East Grinstead, Burgess Hill and Lewes.

We have the space and infrastructure to support your next project - from new headquarters to manufacturing and logistics; new development sites and creative spaces.

Whether it is your first stepping stone into the UK or an opportunity to scale your activities in a more sensible and cost-effective way. This is a prime business location with all the connectivity and talent you need, without the expense and congestion of a capital city.

Strengths and Opportunities

- Tech & Creative

For years the Brighton area has been synonymous with creativity and is known as the 'UK's startup capital'.

The region's cultural events and festivals; a vibrant bohemian arts scene brimming with fashion, music and design innovators; provide a rich and colourful edge to our digital technology credentials.

There's practical research, design and development into cybersecurity, Big Data, Internet of Things and Artificial Intelligence at our universities and our companies. Brighton has the UK's biggest concentration of immersive tech businesses.

From bedrooms and garages to corporate campuses, our digital infrastructure and our 5G projects are key enablers. Home to innovators such as Creative Technology Group, Make Real, Hyve Managed Hosting and Surge Group.

- Healthcare and Life Sciences

We're at the heart of efforts to create a healthier world.

University of Sussex's School of Life Science specialises in Biomedicine; Chemistry; Behaviour; Genomes; Neuroscience and Pharmacy. School of Health Sciences at University of Brighton is at the forefront of teaching and research in nursing, midwifery, health and social care. Brighton and Sussex Medical School is a partnership between the Universities of Brighton and Sussex together with NHS organisations throughout the region.

Home to leading healthcare companies like Roche Diagnostics, Varian Medical Systems, Canon Medical Systems, Health Management, Welland Medical and Allergy Therapeutics.

- Advanced Engineering

This is a region rich in the design and manufacturing of products and services that are redefining the way we live.

Our strengths and credentials in engineering include: consulting; low carbon energy and environmental technology; sustainable construction; intelligent transport; marine technology; medical devices and advanced logistics.

Aerospace companies chose to invest here because of the aviation expertise around the Gatwick area and world-class R&D collaborations with universities.

Home to great engineering success stories such as Ricardo, Edwards, Boeing, Thales, ACRO Aircraft Seating and Tokyo Electron.

- Business, Professional and Financial Services

With doorstep connectivity to one of the world's leading financial centres, we can offer a scalable and resilient expansion location at a fraction of the cost.

Talent on tap includes leading business schools at both our universities, college vocational courses and one of the highest proportion of degree-educated workers in the UK.

Home to major headquarters and back-office functions for American Express, Domestic & General, Legal & General, Royal Mail, Virgin Holidays, TUI and Southern Water.

Here to Help You

We have developed the Greater Brighton Inward Investment Desk to advise and support your next move.

We offer free, confidential and professional advice on:

- Location Intelligence
- Network Introductions
- Sites and Properties
- Incentives and Support
- Visits and Meetings

Contact the Greater Brighton Inward Investment Desk xxxxxxxxx

Subject:	Greater Brighton Infrastructure Panel Update		
Date of Meeting:	14 July 2020		
Report of:	Chair, Greater Brighton Infrastructure Panel		
Contact Officer:	Name:	Clare Mulholland	Tel: 01273 291026
	Email:	Clare.Mulholland@brighton-hove.gov.uk	
LA(s) affected:	All		

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

- 1.1 As reported at previous Board meetings, recent analysis projects that the population of Greater Brighton is set to grow by 97,000 between now and 2030. To be able to meet the increased level of demand for energy and water, the City Region needs to understand what the associated infrastructure requirements are going to be. To that end the Greater Brighton Economic Board “the Board”, chose to develop proposals on the two linked themes of energy and water with the aim of unlocking sustainable growth. Updates of the progress of these plans has been provided at previous Board meetings. These plans are now complete, and this paper provides a breakdown of the projects and proposals for delivery.
- 1.2 The coronavirus pandemic is affecting the UK economy in a number of different ways: from enforced closures of many businesses and unemployment, to supply chain disruption, and uncertainty over how long it will all last. The economic impact of COVID-19 is still being understood, but we know it will be felt for many years. Stakeholders and political parties are calling for us to “grow back greener” and the Local Government Association estimates nearly 700,000 jobs could be created in a green recovery by 2030, with a fifth of those in retrofitting existing homes. While the majority of the work to develop the energy and water plans was carried out before the crisis, the actions within it will help alleviate its economic impact – while addressing the longer-term climate challenge and setting a strong foundation to for a resilient future.
- 1.3 In April 2018, the Greater Brighton Infrastructure Panel was established comprising senior representatives from key stakeholders across the public and private sectors to oversee the delivery of the Greater Brighton Energy Plan and Water Plan. The Panel must report progress back to the Board. This paper presents the final plans to the Board.

2. RECOMMENDATIONS:

- 2.1 That the final Energy and Water Plan documents, which are based on detailed research, modelling and stakeholder engagement, are approved by the Board.
- 2.2 That the Board supports the projects arising from the plans and is committed to securing funding from the Local Enterprise Partnership (LEP) and National Government and supporting delivery.

- 2.3 That the Board notes that progress with the projects are reported back on an annual basis (with any exceptional items being raised on an ad-hoc basis)
- 2.4 That the Board supports the Greater Brighton 10 pledges and film as part of a communications package to raise the profile of the work planned and commits to the launch and the signing of the pledges at the next Board meeting in October.
- 2.5 That the Board agreed that the Greater Brighton Infrastructure panel continues, both to oversee implementation of the Energy and Water Plans (via the working groups) and to consider other Infrastructure areas.
- 2.6 That the Board agrees that the Greater Brighton Energy Group (*and Water Group if wished*) continues to implement and deliver the Energy Plan, including potential development of collaborative multi-stakeholder projects, a Local Energy Fund, and a special purpose delivery partnership

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 Officer working groups were established for both the Energy and Water Plans and comprise of stakeholders from public, private and third sector organisations. The Water Plan working group is chaired by Ben Earl, Southern Water, and the Energy Plan working group is chaired by Ollie Pendered, Community Energy South.
- 3.2 In April 2018, the Greater Brighton Infrastructure Panel was established. The Panel is chaired by Ian McAulay, CEO Southern Water, and supported by vice chairs James Humphreys, Regional Director Environment Agency, and Geoff Raw, CEO Brighton & Hove City Council.
- 3.3 The Panel's remit includes:
 - Increase infrastructure security and resilience; health and wellbeing; clean growth; and the affordability of energy and water in the City Region
 - Ensure the Energy and Water Plans fulfil the requirements of the Greater Brighton Economic Board, as referred to in the Board's Operational Arrangements
 - Bring professional knowledge and insights pertinent to the development of the plans
 - Produce plans which are highly practical in application and which provide a clear indication of priorities, investment opportunities and potential financial mechanisms and sources for delivery.

The panel has met four times since its inception and provides a sounding board for progress on both plans as well as providing conceptual ideas for the related communications activity which is paramount to the success of the plans moving forward.

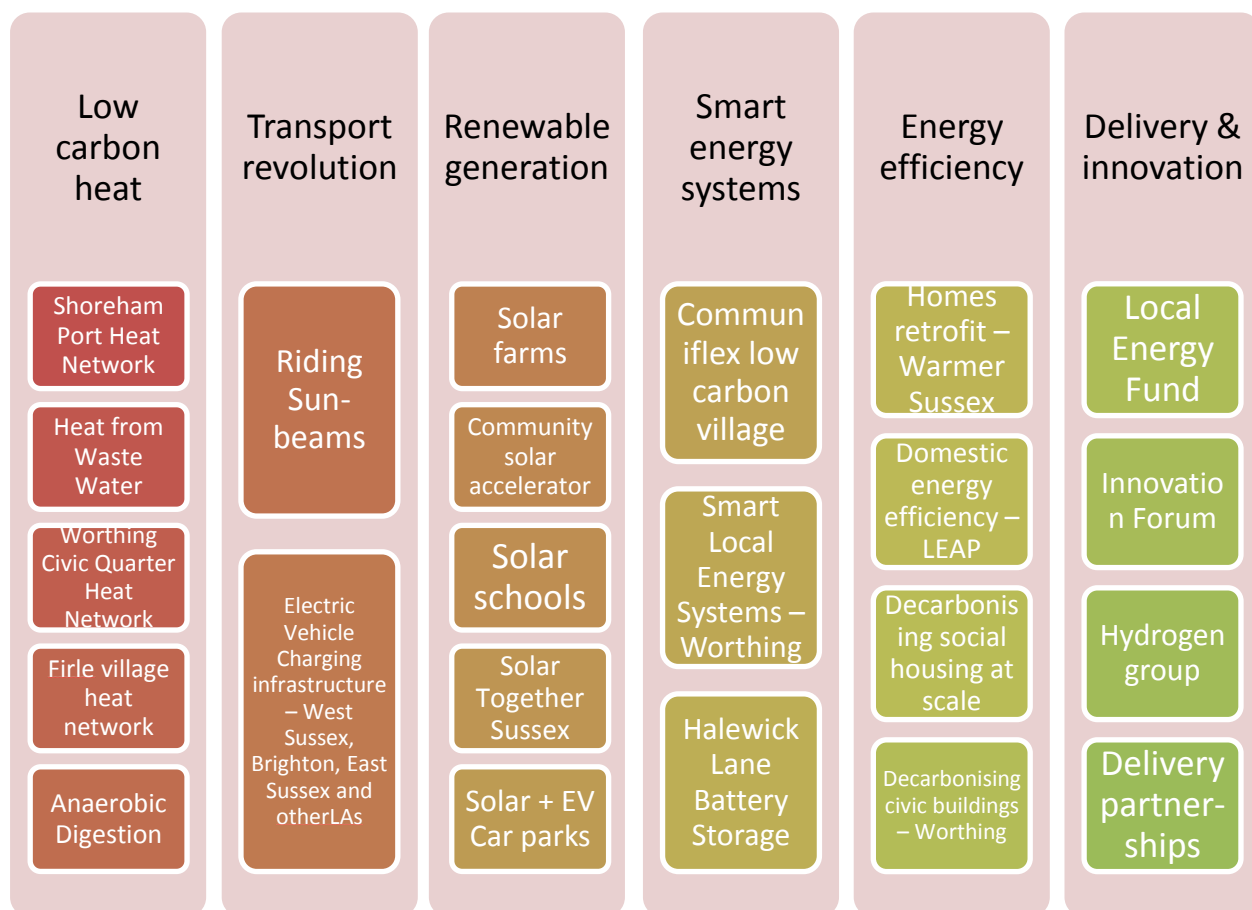
Energy Plan

- 3.4 The Energy Plan is practical and focused on delivery. It includes:

- An assessment of renewable energy technologies, their applicability in the Greater Brighton area, an assessment of constraints and benefits, and readiness for implementation
- A pipeline of over 30 project opportunities which will transform our energy systems, and scale up and coordinate existing activity.
- Models for ownership, delivery and funding which have been proven successful and could be utilised
- Local case studies which demonstrate innovation in design and deployment of renewable energy and smart integration of different types of energy within a project.
- Established partnerships with gas and electricity suppliers which will enhance forward planning capability and enable collaboration on future energy projects
- Proposals to identify and prioritise clusters of projects, to enhance local supply chain options for delivery, to investigate the feasibility of a local energy fund and a special purpose vehicle to attract grant funding and external investment and make the most of Greater Brighton economic and housing growth ambitions to create opportunities for low carbon energy.

3.5 The Energy Plan identifies proposals to accelerate the delivery of energy projects that will boost resilience and security and at the same time reduce carbon emissions. The plan was commissioned with a target seeking zero carbon by 2050, but things have moved on and partners have set their own dates, so the plan is led by what partners want to do in their own localities.

3.6 The energy projects are as follows:



Water Plan

3.7 The Water Plan builds on work around the water environment that's already in progress across a number of organisations to set out a range of opportunities to address ongoing challenges in new, innovative ways, yielding much increased benefits for the local area, compared to current, 'conventional' approaches.

3.8 The proposed projects are as follows:

Water neutrality – offsetting demand from new developments with water efficiency visits for surrounding residents, reducing water consumption and improving affordability

Enhanced home visits – combining existing water efficiency home visit programmes with energy efficiency to reduce carbon emissions, energy use and improve affordability

Carbon capture projects and kelp restoration – supporting the Sussex IFCA's kelp forest restoration project and identifying additional opportunities for blue / green infrastructure to improve natural capital and capture carbon

Water recycling – supporting water recycling at the Northern Arc development in Burgess Hill and providing a policy foundation for wider uptake across Greater Brighton in the future

Rain garden campaign – a communications campaign, led by The Aquifer Partnership, to encourage Greater Brighton residents and businesses to increase the uptake of rain gardens and sustainable drainage to improve natural capital and protect groundwater quality

4. COMMUNITY ENGAGEMENT & CONSULTATION

- 4.1 There has been consultation and engagement with both sets of working group members and wider stakeholders from public, private and third sector organisations, gas and electricity suppliers, universities and consultancies.
- 4.2 The final Water and Energy Plan proposals were shared with the Greater Brighton Infrastructure Panel on 10th March 2020 for feedback and were shared with Greater Brighton Economic Board Members at a workshop on 23rd March 2020.
- 4.3 The Greater Brighton Officer Programme Board have been consulted and will continue to be consulted and updated on progress as and when required.

COMMUNICATIONS ACTIVITY

- 4.4 Communication on both the ambitions of the Board and the potential projects arising from the Energy and Water plans is crucial to gain support to help facilitate delivery. The Greater Brighton Communications Team have prepared the Greater Brighton Ten Pledges – highlighting five energy and five water plan projects which are priorities for the Board to meet the objectives set out in the plans. The pledges are accompanied by a promotional video and a series of press releases to support the launch of the plans.
- 4.5 Board members will be asked to sign the ‘pledge’ at the Board meeting in October (subject to social distancing rules) committing to supporting the 10 projects through to delivery.

5. CONCLUSION

- 5.1 This update from the Greater Brighton Infrastructure Panel presents the final Energy and Water Plans to the Board setting out ambitious projects to help to meet the future energy and water demands of the region. Now the focus must be on securing new and additional funding and delivery.

Due to the impact of COVID 19, the plans are flexible. The uncertainty – both economic and social – means competing pressures have to be managed and certain activities necessarily be prioritised over others. Stakeholders have called for the UK to ‘grow back greener after lockdown’ and the projects and ambitions contained in both the energy and water plans will allow Greater Brighton to do that.

6. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 6.1 The Greater Brighton Energy Plan and Greater Brighton Water Plan are detailed in Appendix 1 and 2 respectively. Indicative costs of the Energy Plans have been included at this early stage where appropriate. Further work will be required to be undertaken to identify and secure funding from the Local Enterprise Partnership (LEP) and National Government to support delivery of these projects. Funding was identified within the Greater Brighton Operation Arrangements budget in 2018/29 to support the final Water and Energy Plans.

Finance Officer Consulted: Rob Allen, Principal Accountant
Date: 05/07/20

Legal Implications:

- 6.2 None.

Lawyer Consulted: Joanne Dougnaglo, Senior Property Lawyer
Date: 03/07/20

Equalities Implications:

- 6.3 The Water and Energy Plans will seek to ensure that the benefits are shared across the City Region. In addition, one of the key aims of both plans is to address inequalities by looking at how access to energy and water can be made affordable for all Greater Brighton residents.

Sustainability Implications

- 6.4 Delivering sustainable growth is a priority for the Board, and this has become increasingly important as the City Region looks to recover from the impact of the COVID-19 pandemic. Growing economic, cultural and demographic constraints within the city region require us to be more resourceful with our amenities. To be able to meet the increased level of demand for energy and water, and benefit from technological change, the City Region needs to understand what the associated infrastructure requirements are going to be.

SUPPORTING DOCUMENTATION

Appendices:

- Appendix 1 Greater Brighton Energy Plan Summary
Appendix 2 Greater Brighton Water Plan



Greater Brighton Energy Plan

Energy Projects June 2020

Participants in the Greater Brighton Energy Plan have a wide range of investible energy projects under way and planned. These projects will reduce energy demand, cut carbon emissions, and bring community benefits, and also contribute to a resilient energy system for the future.

The table below summarises over 30 projects which seek to transform our energy systems in the areas of low carbon heating, renewable energy, the transport revolution, energy efficiency and energy saving, and smart energy systems.

Some projects innovate with novel technologies and new ways of integrating energy systems, other projects seek to scale up and coordinate well-known interventions.

Also included is a portfolio of one-page outlines of some of the most innovative and larger-scale projects.

	The Projects	Description	Project Owner	Status	Cost of project	Funding required	Energy Plan themes
	Transforming our regional energy systems						
1	Hydrogen Hub	Developing a clean hydrogen economy for transport and heating	Brighton & Hove City Council; Lewes District C.	pre-feasibility	£10m	£20k	Renewable generation
2	Riding Sunbeams	A world leading company connecting solar panels to electrified rail routes to power trains. Working with Network Rail.	CES	Riding Sunbeams now entered R&D stage for MW connections to railway	£11m	Match funding & investment opportunity. Also require regional support	Transport revolution
3	Shoreham Port Heat Network	Feasibility Study with BEIS	Adur DC	Feasibility study	TBC		Low carbon heating
4	Heat from Waste Water	Exploring opportunities with Southern Water on capturing and using heat from waste water	Lewes DC, Southern Water	pre-feasibility			Low carbon heating
5	Worthing Civic Quarter Heat Network	Feasibility for a campus and potentially wider Worthing Heat Network being explored with BEIS and public partners.	Worthing BC	Feasibility study	Feasibility £120,00. CAPEX £2m	-	Low carbon heating
6	Communiflex - Zero Carbon Village	National leading project to transform a rural community's energy system and stimulate carbon reduction to become the UK's first Net Zero Village. A consortium bid with UK Power Networks; explores electrification of heat and rural transport, and impact on the grid on the transition of heat and transport to electric.	OVESCO	Consortium in place. Funding bid for OFGEM Network Innovation Competition (NIC) and Network Innovation Allowance	£20m	Looking for 2020-21 contribution to project development stage - request £20k-£50k contribution	Smart energy system
7	Smart Local Energy Systems (SLES, Smarthubs)	SLES is a 3 yr Innovate UK funded programme planning delivery in Adur & Worthing, B&H and West Sussex. Multiple technologies incl Hydrogen, PV, battery storage, EVCP, V2G, Heat pumps, Virtual Power Plant.	Connected Energy, SLES Consortium, West Sussex CC, Adur & Worthing Councils		£30m	-	Smart energy system

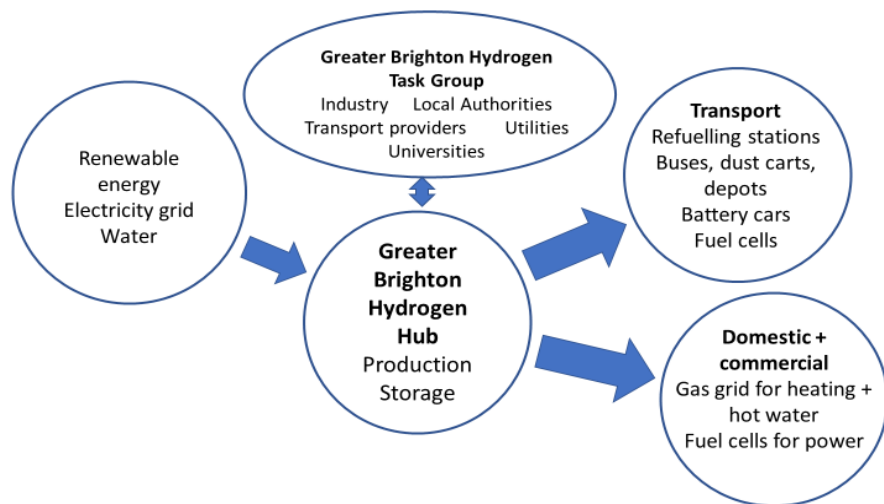
8	Halewick Lane Battery Storage	Electricity Grid services at Adur Substation.	West Sussex County Council			-	Smart energy system
9	Greater Brighton Energy Fund	Establish a £500k grant fund scheme for feasibility projects in community energy sector	Community Energy South	pre-feasibility	£500k		
10	Greater Brighton Innovation Forum	Convene programme of informal meetings on innovation to drive forward delivery of GB Energy & Water strategies	University of Sussex	Will start from June 2020	Funding from University of Sussex		
11	LoCase	Kent CC led 3yr ERDF project to decarbonise businesses and public sector estate	Kent CC leading	funding bid to ERDF - currently on hold during Covid			
Scaling up and coordinating							
12	Local Retrofit Supply Chain Development for Domestic energy efficiency – private rented and home owners	Aims to stimulate the energy efficiency retrofit market in Sussex for 'able to pay' homeowners. Analysis of EPCs and skills gap carried out.	Warmer Sussex (RetrofitWorks), BHESCo	Active	Funding provided by BEIS through to March'21	In kind: local partners promoting scheme to residents and local supply chain businesses - Capital funding from LAs to incentivise /overcome financial barriers to homeowners through grants/loans - Funding for developing supply chain with new businesses	Energy efficiency
13	LEAP	Agility Eco delivering programme of home energy visits to decarbonise homes and save money on energy bills.	Adur & Worthing Councils, Mid-Sussex CC, Crawley BC, Horsham BC, Brighton & Hove CC.	active programme			Energy efficiency
14	Decarbonising our social housing stock at scale	Coordination of procurement and programmes between local authorities	Lewes DC				Energy efficiency

15	Decarbonisation of Worthing Civic Buildings	Radical reduction in carbon emissions for civic buildings through energy efficiency, renewable power and heat upgrades.	Worthing BC	funding bid to ERDF	£1.9m	-	Energy efficiency
16	Electric Vehicle Charging Infrastructure	Coordinating a network of chargepoints to enable rapid change to electric vehicles for residents and businesses	Local authorities				Transport revolution
17	West Sussex EV charge network	WSCC leading procurement of a concession contract for a publically available, consistent, reliable, recognisable, zero carbon, on and off street electric vehicle charging network across West Sussex, collaborating with Districts & Boroughs.	West Sussex County Council	Contract to market July 2020 (date TBC)	Concession Contract	-	Transport revolution
18	Solar Farms (including landfill sites)	BEC and OVESCO are also looking into developing solar farms in GB region.	Brighton & Hove CC; Brighton Energy Coop; OVESCO	Feasibility study			Renewable generation
19	Community Solar Accelerator	Install 42 * 50KW solar PV arrays on SMEs in Coast to Capital region, 12 of these will include EV charging points at carparks.	Brighton Energy Coop	ERDF funding - awaiting confirmation by MHCLG once assessment complete	£2.2M - £1.2M ERDF contribution + £1M match funding from SMEs.	None	Renewable generation
20	Solar Schools	Solar energy on school buildings	ESCC, WSCC, BHCC, BEC, BHESCO, OVESCO ESCC, WSCC, BHCC, BHESCO, OVESCO, Brighton Energy Coop and Repower Balcombe	active			Renewable generation
21	Solar Together Sussex	Group buying of solar PV for home owners	West Sussex County Council	active			Renewable generation

22	Solar PV + EV charging in carparks	Feasibility study on linking PV and EV charging, funded by Power to Change grant. Then plan to develop portfolio of PV & EV charging projects at car parks such as Haywards Heath rail station. Initial phase of 10 * 50KW arrays and 4 EVCPS at each site with £60K project value. Plan to apply for £40K RCEF grant for project development.	Brighton Energy Coop	Feasibility study	£600K	£40K	Renewable generation, Transport revolution
23	Solar PV on social housing	1000 new solar PV installs by 2023, with ambition for 2500 by 2026	BHCC	Budget commitment due July 2020	£4m	nil	Renewable Generation
24	Ground source heat pump	Project to retrofit 75 homes and install an ambient loop GSHP, powered by solar PV	BHCC	Onsite July 2020	c£700k		, low carbon heating
25	Net Zero Firle Village	Creating a microgrid in a rural community	BHESCo	in development	£12m	£500k	Low carbon heating
26	Firle village heat network	Improving the energy performance of hard to treat homes. Replacing oil heating for 22 homes with four networks powered by ground source heat pumps	BHESCo	Development stage pilot			Low carbon heating
27	Low Carbon energy infrastructure ESCO model	Energy services owned and operated by ESCO creating clean, affordable energy for housing co-operatives.	BHESCo, Bunker Housing Co-op	Completed 2 homes, working on next development			Innovation
28	Zero carbon schools	Replace oil heating with ground source heat pump, install solar powered corridor and underfloor heating for school off the gas grid.	BHESCo	Will be completed September 2020			Renewable generation
29	Food waste gas to grid	30 tonne Community owned biogas production plant. Has large support base and identified waste streams.	BHESCo	Need to secure 3.25 hectares of land to move to next stage	£13m		Low carbon heating
Future opportunities							
30	Hybrid heat pumps trial	Testing potential of hydrogen in gas grid for heating					Low carbon heating

31	Powering Parks	Ground source heat pumps under playing fields & parks					Low carbon heating
32	Newhaven Enterprise Zone	Cluster of opportunities around landfill site, waste-to-energy plant, enterprise zone					Renewable generation
33	Large Emitters	GB Energy Plan identified locations which emit large amount of CO2 eg retail parks, crematoria. Potential for programme of audits and retrofits.					Energy efficiency
34	Tackling Grid Constraints						Smart energy systems
35	Solar farms on Landfill sites						Renewable generation

Hydrogen Infrastructure Development



Aims & Objectives

Hydrogen has the potential to make a significant contribution to reducing carbon emissions from our energy system and improving air quality, particularly for heavy freight and public transport sectors that require high-density energy over prolonged periods. 'Green' hydrogen however is a fledgling market with technical and commercial barriers to overcome.

This project will map and determine the potential of hydrogen to meet the energy and transport needs of Greater Brighton, and pathways to deliver this potential.

Key Facts

- Brighton & Hove Buses (BHB) have a programme to decarbonise their fleet and are in early commercial discussions with suppliers on how hydrogen can help to deliver this
- Lewes District Council (LDC) owns its own refuse fleet which will need renewing. It is based in Newhaven so has the possibility of working closely with BHB and other commercial fleets to utilise hydrogen infrastructure
- Newhaven Enterprise Zone (NEZ) was set up to attract inward investment into the area with a focus on the green and sustainability sector
- The planned extension of Rampion Wind Farm may offer a new supply of renewable electricity which is needed to produce 'green' hydrogen. Rampion

Wind Farm's support services are based in Newhaven Port and its grid connection is at Bolney in Mid Sussex.

- The Ryse company is looking to build a hydrogen plant in Herne Bay
- Shoreham Port actively looking to decarbonise with hydrogen one option under consideration.

Delivery Partners: Brighton & Hove Buses, BHCC, LDC, NEZ, Newhaven Port, Shoreham Port, UKPN, Mid Sussex DC, Shoreham Port, SGN and others

Funding Currently in kind, future funding TBC

Outputs

1. Hydrogen Working Group
2. Feasibility Study

Timing

Hydrogen Working Group initiated in July 2020.

Feasibility study to be completed in early 2021.

Next steps

- Set up the working group and agree the final scope and nature of the feasibility study
- As a minimum the feasibility study will look at:
 - i. Mapping sectors which could adopt hydrogen by 2030
 - ii. Identify opportunities and barriers to make hydrogen a reality
 - iii. Identify viable locations and commercial delivery models

Greater Brighton added value

- 1) GB Infrastructure Panel brings together the relevant organisations that own suitable sites and have a customer market
- 2) Provides critical mass to both drive down prices and applying for infrastructure grants
- 3) Would allow lessons learnt and synergies to be explored and shared between partners which could enable wider adoption of hydrogen

Greater Brighton Innovation Forum



University of Sussex Innovation
Forum February 2020

Aims & Objectives

The Science Policy Research Unit (SPRU), University of Sussex to convene a programme of informal meetings on innovation aligned to themes emerging from the Greater Brighton Energy and Water Plans, to help to drive forward the delivery of the Plans and transition towards sustainable low-carbon living.

Expected attendance per meeting: 20-25 stakeholders from industry (Infrastructure providers, SMEs), third sector, local authority (city and county council) representatives, LEP, community energy groups, guest visitors such as national level decision-makers. The number of academics at each meeting will be limited to ensure balance between the different types of stakeholders.

Key objectives:

- Help to drive forward the delivery of the Energy and Water Plans by bringing key regional stakeholders into the forum
- Link to the Greater Brighton Digital Strategy
- Create an informal space to address local project delivery and barriers that may delay implementation. Aid local capacity building, shared learning and partnership building across infrastructure sectors, public and private.
- Informal matching and networking between local and regional stakeholders

- Stakeholders will commit to demonstrate the implementation and learning from workshops and provide practical examples linked to delivery of the plans
- Topics already identified by the Energy Plan working group as essential: scaling up of innovation and pilots; developing innovation-driven business models; learning from pilot projects across sectors; financing innovative and riskier projects; continuing to develop pipeline of net zero projects.

Key Facts

Delivery Partners: University of Sussex, University of Brighton, Greater Brighton Energy Plan stakeholders, businesses

Funding Funding initially for 6 meetings, initially on-line, by University of Sussex covering administration, venues, catering & dissemination

Outputs

Developing a pipeline of innovative projects 1) which aim to achieve the Greater Brighton Energy Plan and local decarbonisation targets; 2) building capacity within the region to innovate across different infrastructure sectors; 3) building partnerships for the diffusion of innovative technology and services; innovative business models which can create greater economic, social and environmental values and meet local objectives.

Two short innovation briefs or podcasts, one in Dec'20 and one in May'21.

Timescale Funding has been secured for a year June'20 – May'21

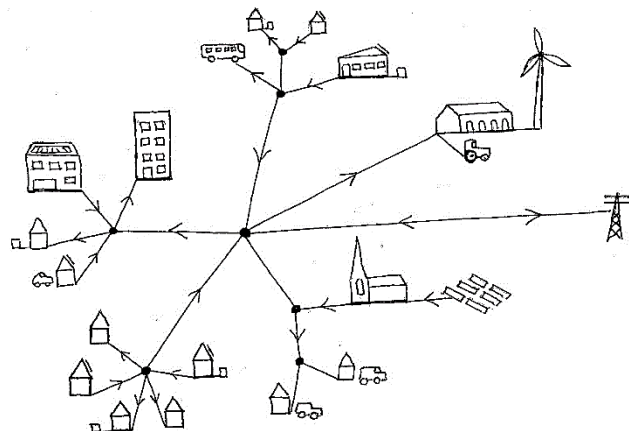
Next steps

Define an annual programme of topics linked directly to the objectives and recommendations of the Energy and Water Plans. The forum will be facilitated by SPRU academics and help provide strategic linkages with UoS faculty; delivery stakeholders will aid convening additional expertise depending on the topic and managing the relationships with Greater Brighton stakeholders.

Greater Brighton added value

Will facilitate lessons learnt and synergies to be explored and shared between partners which could enable wider adoption and innovation in the delivery of regional plans and targets.

CommuniFlex – (Net Zero Village)



OVESCO

COMMUNITY
ENERGY
SOUTH

UK
Power
Networks

BURO HAPPOLD

Greater
Brighton

Aims & Objectives

This ground breaking Network Innovation Project (Ofgem) project aims to develop a solution for taking a rural community off oil by switching to a local electric heat and transport system. Selected from 40 UK consortium bids to proceed to project development. The project will focus on a community in East Sussex in Lewes and a constrained grid location. Working in partnership with UK Power Networks, an award winning community energy company and leading energy consultancy will develop solutions transition a village to Net Zero.

The objective is to reduce the need to reinforce the local electricity network by providing a masterplan over 5 years for the transition. The transition being to electric heating, electric vehicles with a smart energy system that will flex back to the Grid and reduce costly reinforcement of the electricity network. The solution could potentially be replicated across the UK and shared with all rural off grid communities.

Key Facts

Delivery Partners: UKPN, OVESCO (Barcombe Community Energy), Community Energy South, Buro Happold & Utility Co

Funding

Total Public Funding	Phase 1 - Ofgem TBC 2020-21
Total Private Funding	Phase 2 2021-24 community funding to up to £15million
Total Funding	Up to £15million TBC

Outputs

3. Deliver a ground breaking project that will stimulate carbon reduction in rural communities
4. Develop a network flexibility solution for constrained grid locations
5. Reduce local carbon emissions
6. Take 200 to 500 rural homes off oil by switching to heat pumps
7. Low energy bills for homeowners and provide warmer more comfortable homes
8. Allow for an increased take up of electric transport and improve local air quality
9. Write the book for replication and share the solution with other communities and Electricity Network Operators

Timing or what happened

Bid development – January to July 2020

Masterplan phase – August to March 2021

Development stage – April 2021 to 2023

Next steps

- Prepare bid development stage through OfGEM - NIA Governance. Submit End of June 2021.stage 3 bid development..

Greater Brighton added value

- Infrastructure Panel and Local Authority support
- Match funding opportunities
- Local Authority Investment in Community Municipal Bond for energy efficiency for homes
- Public relations and lifting project profile

Decarbonising Sussex social housing at scale



Newhaven housing stock with retrofitted PV panels (Photo: Lewes DC)

Aims & Objectives

Housing contributes between 20 and 40% of carbon emissions from council estates. The seven local authorities in Sussex own 34,997 homes between them. In addition, there are 23,374 Registered Provider dwellings.

Adur	2,552	Eastbourne	3,437
Arun	3,381	Lewes	3,203
Brighton & Hove	11,563	Wealden	2,941
Crawley	7,920		

On average Sussex local authorities spend circa £1.3m per 1000 homes annually. Their capital programme in 2018/19 was over £98m, and in the decade to 2030 they expect to spend **£1 billion** on repairing and maintaining homes.

A plan for local authorities to develop a significant programme of retrofit and new-build investment at scale could deliver:

- Whole house insulation
- Low carbon heat sources (transition from gas)
- Heat networks
- Solar PV – generation and heat
- Immediate cross area pilot sites

- Smart homes – controlling energy and managing grid fluctuations
- Homes which are more affordable, comfortable and resilient to climate change, for tenants and leaseholders who experience economic and social challenges

Key Facts

Lewes DC is taking an initial proposal to local authorities across Sussex.

Delivery Partners: Lewes DC leads the efforts to build a partnership

Funding Currently in kind.

Outputs

- 10 year plan for carbon neutral investment programme in social housing
- Set out 3-5 year initial program to allow tier 1 & 2 contractors to develop certainty within supply chains
- Shared expertise and procurement opportunities
- Investment into Smart Grid tech
- Skills and training in retrofit and home energy efficiency

Timescale

10 years

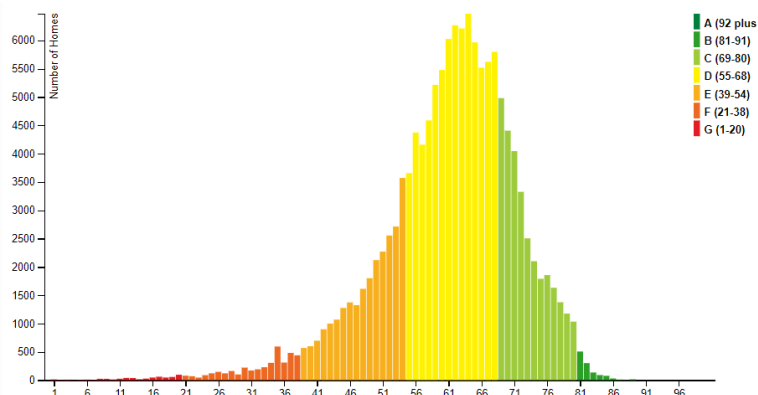
Next steps

- Portfolio holder level meeting with all relevant councils
- Agree 'white label' approach = locality led with Portfolio champions
- Opportunities to learn from each other and to maximise use of innovation through pilots

Greater Brighton added value

- Provides critical mass to drive down prices and facilitate joint procurement

Domestic Energy Efficiency



Warmer Sussex analysis of EPCs in Brighton showing ~65% dwellings in bands D and below.

Aims & Objectives

Much of the UK building stock is very poor in terms of energy efficiency. Current UK policy is to improve all fuel poor households to a minimum energy efficiency rating of Band E by 2020 (6% of households), Band D by 2025 and Band C by 2030. 64% of homes across Greater Brighton have an energy efficiency of D or below and bringing this up to Band C represents the scale of change required.

The number of actors generally makes this harder in a domestic context (particularly private rented) and retrofit costs can be prohibitive. There are many partnerships offering advice, support and energy efficiency refurbs:

- Local Energy Advice Partnership (LEAP) in Adur-Worthing offers free Home Energy Advice visits to vulnerable residents
- Warmer Sussex offers Retrofit Coordinators to support households through improving their home's energy efficiency and sustainability
- BHESCo offers affordable energy surveys resulting in home improvement reports, along with Pay As You Save finance that make it easy for home owners, landlords, housing associations and co-operatives to invest to improve the energy performance of their properties
- Your Energy Sussex provides advice about energy saving and renewable energy and offers a good value renewable energy tariff to residents.
- Local authorities and housing associations have programmes to improve energy efficiency in their own social / affordable housing stock.
- Some community energy companies have a network of residents trained as Energy Champions to offer initial advice locally.

Key Facts

Delivery Partners: Warmer Sussex, Retrofit Works, BHESCo, Citizens Advice, local authorities, Housing Associations, Your Energy Sussex

Funding

Improving all homes across Greater Brighton up to an A or B EPC rating would cost in the billions, with an average cost per home in the region of £27k, according to analysis by Warmer Sussex.

Outputs

Targeting ~6% of domestic stock initially but applicable to at least 64%. Warmer homes with cheaper fuel bills have multiple benefits for the local economy, residents' health and wellbeing, and educational attainment.

What happened in the last period?

Warmer Sussex analysed Energy Performance Certificates in East and West Sussex and Brighton, including total costs to improve energy efficiency of homes.

Warmer Sussex estimated that 4,000 new skilled tradespeople are needed across the county to carry out the level of retrofit required to existing housing stock.

Next steps

- Segmentation of property owners to optimise fabric retrofit and targeting of initiatives including any government funding that may become available.
- Neighbourhood-based initiatives with Warmer Sussex and community energy.
- Deployment across public assets.
- Create local programmes to enforce regulations on EPC Band F and G private rented properties.

Greater Brighton added value

Greater Brighton LAs have a large building stock which is an initial focus.

Build up best practice for different building typologies leading to a more efficient application of technology.

Sharing of good practice on private rented sector energy efficiency enforcement

Electric Vehicle charging infrastructure



Location of EV charge points in East Sussex 2020

Aims & Objectives

A network of charging points for electric vehicles (EVs) is needed to ensure that individuals and companies are confident to switch to EV cars and vans when they next buy a car. Wherever possible EV charging should draw electricity from renewable sources.

The shift away from petrol and diesel cars will be accelerated by the ban on sales post 2035, and needs to be accompanied by transport mode shift towards public transport and active travel modes such as cycling and walking.

Key Facts

Delivery Partners: Local authorities (County Councils and District Councils), OLEV, EV charge point companies & contractors.

Funding

Outputs

A network of EV charging points, including home-based, on-street, car parks, depot, destination and taxi ranks, coordinated across Greater Brighton by local authorities, to satisfy the needs of residents, businesses and institutions and accelerate the shift away from fossil fuel vehicles by 2030.

A measurable improvement in air quality especially in AQMZs

What happened in the last period?

- Brighton & Hove City Council has appointed contractor Electric Blue to roll out EV charge points across the city
- Other local authorities across Greater Brighton area actively looking at specifications, procurement and funding
- A requirement to provide a percentage of active and passive EV charging points is now incorporated in most planning permissions for new development
- ESCC held a workshop on Building a Sustainable Chargepoint Strategy in Feb 2020 for GB partners, exploring technologies, locations and procurement.
- Further workshops are planned by the University of Sussex and commercial EV charging and parking companies.

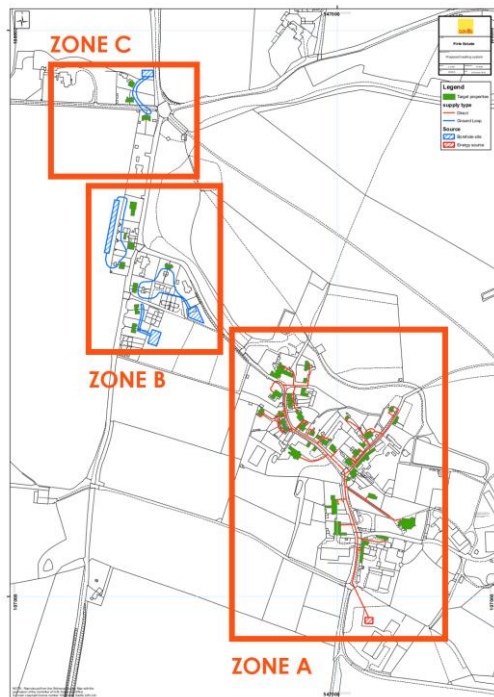
Next steps

- Further efforts to coordinate EV charging locations around Sussex and exploration of interoperability between different EV operators.

Greater Brighton added value

- Work with Transport for the South East to ensure EV and Transport mode shift is incorporated in their strategies and plans.

Firle village heat network



Map of proposed layout of heat network in Firle village

Aims & Objectives

BHESCo are working on the feasibility of developing a shared heat network in Firle Village, to be powered by heat pumps. Most residents of the village currently rely on fossil fuels, like kerosene oil, or expensive electric systems to heat their homes. The financial, environmental and social implications of this pose challenges which can be overcome by exploiting technology and the enthusiasm of the residents of Firle to become a Net Zero carbon village. Renewable heat will be generated from a ground source heat pumps on shared heat networks or individual air source heat pumps, depending on the economic benefit for the community. Hot water will be pumped through uninsulated pipework created specifically for each heating zone. Clean electricity will be generated via solar panels in a nearby field.

The systems will be owned by BHESCo, a community owned energy services social enterprise, undertaking maintenance and operation of the plant. The residents

will pay BHESCo for their heating based on their individual requirements to stay warm and well in winter, along with their hot water provision. The community will be able to invest in the project and have their say in the governance of the energy services co-operative.

Key Facts

Delivery Partners: BHESCo, Firle Estate

Website: <https://bhesco.co.uk/firle>

Funding

The funding will be raised through infrastructural bonds that are offered first to residents, then to other individuals interested in supporting this new economic model for transitioning communities.

Outputs

The project is expected to bring significant benefit to all homes and businesses in the village. The primary aims are to:

- Provide secure, reliable and affordable heat
- Improve air quality and reduce carbon emissions
- Remove dependency on fossil fuels for energy supply.

What happened in the last period?

The Rural Community Energy Fund (RCEF) provided a grant to study the feasibility of the heat network. The feasibility study concluded with a comprehensive plan to create a cleaner, more secure future for residents by generating affordable renewable heat.

Next steps

BHESCo have received a Stage 2 RCEF grant to develop the project. They are now working with RetrofitWorks and Firle Estate to create an investment plan for improving the energy performance of the properties in Firle to achieve the outputs of the project. The supplier tender for installing the heat pumps will be distributed in July 2020

Shoreham Heat Network



Free Wharf - Southern Housing Group

Aims & Objectives

The project aims to deliver a low carbon heat network development in Shoreham town centre, Shoreham Harbour and Southwick as part of ambitious plans for the regeneration of the area. Objectives include:

- reducing carbon emissions
- reducing air quality impacts of new development
- supporting economic growth
- delivering affordable warmth
- increasing security of energy supply
- generating a revenue stream

Key Facts

- HNDU funded heat mapping, masterplanning and feasibility studies
- Detailed project development is now underway leading to outline business case.
- Marine source heat pump is the main proposed technology.

- Consultants identifying viable phasing approaches and investigating potential commercial and legal structures.
- HNIP funding application expected in early 2021

Delivery Partners: Adur District Council, West Sussex CC, Shoreham Port Authority, Shoreham Harbour Regeneration, housing associations, developers

Funding

Total project cost: £10 million

Potential HNIP funding: £3.5 million

Funding sought: £6.5 million

Outputs

Large scale operational heat network extending from Shoreham-by-Sea to Southwick.

Timescale

2020	Detailed project development (ongoing)
2021	Commercialisation
2022	Construction
2023	Operational

Next steps

- Review and update masterplanning and feasibility studies.
- Identify most viable phasing and delivery solutions.
- Identify and establish most appropriate commercial and legal structures.
- Secure commitment to connect from new development
- Prepare outline business case and present to decision makers
- Secure funding and investment

Greater Brighton added value

- The GBEB brings together relevant organisations that are stakeholders in the project.
- Would allow lessons learnt and synergies to be explored and shared between partners which could enable a wider adoption

Solar schools



Students at Ringmer College inspect their new solar panels, installed by OVESCO

Aims & Objectives

In terms of easy win investable projects, solar schools are a good, immediately available opportunity with a proven business model, ready supply chain and several methods of financing. Many community energy groups in the region are involved in is solar schools. In essence, the energy group installs panel on school roof and sells the electricity through a Power Purchase Agreement at a lower tariff rate than available from a standard supplier but a higher rate than selling directly to a grid. The difference helps to payback investors, the schools are provided with cheap low carbon energy. If the local authority is able to invest it will receive a return on investment, maximising the benefit.

The scale of deployment could be significant, with the area containing several hundred schools and projects generally ranging from a few tens of kW for primary schools to several hundred kW for large secondary schools and colleges.

Key Facts

Delivery Partners: Brighton & Hove City Council, East Sussex County Council, West Sussex County Council, Brighton Energy Coop (BEC), OVESCO, Energise Sussex Coast, Your Energy Sussex

Funding

Core funding from local authorities. To date, well over £2m crowd funding has been raised by local community energy groups for solar schools. SALIX loans possible.

Outputs

- Potential for ~30 MW capacity solar installed across schools in Greater Brighton
- Schools’ electricity bills cut by xx
- Students have opportunity to learn about renewable energy from prominent displays of electricity generated from solar panels.
- Return on investment of x%

What happened in the last period?

Total solar schools installations	Total number schools	Number schools with solar PV	Planned for next period
Brighton & Hove City Council	64	17	
East Sussex County Council	134 (excl academies)	23	Active consideration of frameworks and funding
West Sussex County Council	291 6-8 free schools 37 academies	72 installed by council, ~65 with other funding	11 confirmed, others in pipeline

Next steps

Promote rollout at scale by developing a summary business proposition and outreach to Head Teachers and Boards of Governors.

Greater Brighton added value

Commitment to large scale investment could increase speed of roll-out. A regional energy investment company would be an excellent vehicle to achieve this, allowing for an increase in scale and deployment rate. If the energy investment company was to be Greater Brighton based it would likely be happy to accept a slightly lower rate of return than private companies, ensuring rapid project uptake.

WORTHING CIVIC QUARTER HEAT NETWORK



Plans for Worthing health hub and a multi-storey car park preferred option

Worthing Civic Quarter

Aims & Objectives

Adur & Worthing Councils (AWC) has recently declared a climate emergency and committed to become carbon neutral across by 2030. A 10 year programme of decarbonisation has commenced on adoption of the councils' [Carbon Neutral Plan](#). Decarbonisation of heat one of the key challenges.

The Plan identified an opportunity for the viable decarbonisation of heat on the Worthing Civic Quarter Site through a heat pump based Heat Network which would deliver decarbonisation for key AWC owned buildings and also to neighbouring stakeholders West Sussex County Council and the Ministry of Justice, and the local area. BEIS Heat Network Delivery Unit are providing finance and support to WBC to explore the opportunity

Worthing Borough Council (WBC) are soon to commence the development of the Civic Car Park site, Stoke Abbot Road, Worthing with the construction of a new £30m Integrated Care Centre and adjoining multi-storey car park.

The Civic Quarter site accommodates a number of public buildings:

1. Worthing Town Hall (WBC)
2. Worthing Library (WSCC)
3. Law Courts (MoJ)
4. Worthing Museum & Art Gallery (WBC)

5. Assembly Hall (WBC)
6. Portland House (WBC)

The car park will be infilled with;

1. Worthing Integrated Care Centre (WICC)
2. Multi-storey car park

The redevelopment of the site creates an opportunity to introduce sustainable technologies into the new development that may be linked to and provide environmentally and economically beneficial source/s of heat/energy to the new build and adjoining public properties.

Key Facts

- On site Heat demand 2,200 MWh
- Various Heat pump solutions being investigated
- Final Feasibility Study mid July 2020
- Location - Worthing Civic Quarter and wider Worthing Borough area

Delivery Partners (Feasibility Work): Worthing Borough Council, West Sussex County Council, HNDU, BEIS, AECOM, West Sussex Estates Partnership

Funding

- Total feasibility project cost: £120,000
- Capital cost of Energy Centre and Heat Network estimated at £2m
- Funding sought: application to HNIP, in process

Outputs

10. Heat Network Feasibility Study Report
11. HNIP application
12. Heat Mapping Study

Timescale

Overall timescale of feasibility project – February 2020 to July 2020

Next steps

- Full application for implementation funding to HNIP

- Canvass market support to construct and operate the Energy Centre and Heat Network
- Milestones:
 - Feasibility Reports complete July 2020
 - Development of Business Case October 2020
 - HNIP application October 2020
 - Construction 2021- Summer 2022

Greater Brighton added value

- Infrastructure Panel brings together relevant local organisations that own suitable sites and have a customer market
- Provides critical mass to both drive down prices and applying for infrastructure grants
- Would allow lessons learnt and synergies to be explored and shared between partners which could enable a wider adoption



Greater Brighton Energy Plan

Greater Brighton Economic Board 14 July 2020

Summary

Greater Brighton Energy Plan commits to a resilient, net zero carbon, smart energy system

“Greater Brighton commits to a resilient, net zero carbon and smart energy system that enables and supports a sustainable and healthy economy, environment and society across the city region”

- Commissioned by GBEB in 2018
- 166 • GB Infrastructure Panel has oversight of Energy Plan
- Funded by Interreg SOLARISE programme and GBEB
- Builds on Tri-LEP South 2 East Local Energy Strategy 2018
- Technical report by consultants Buro Happold available [on request](#)

Interreg 
2 Seas Mers Zeeën
SOLARISE

European Regional Development Fund

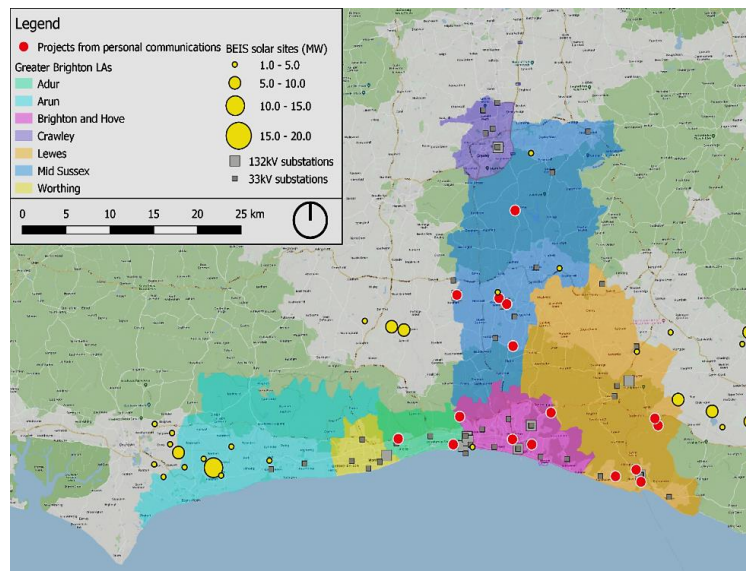
Stakeholder Engagement

- Extensive stakeholder engagement with local authorities, business, universities, public institutions, community energy companies, utilities, consultants
- Energy Working Group meets regularly and links with Water Working Group
- Workshops on electric vehicle charging infrastructure, low carbon heating and decarbonising rural communities

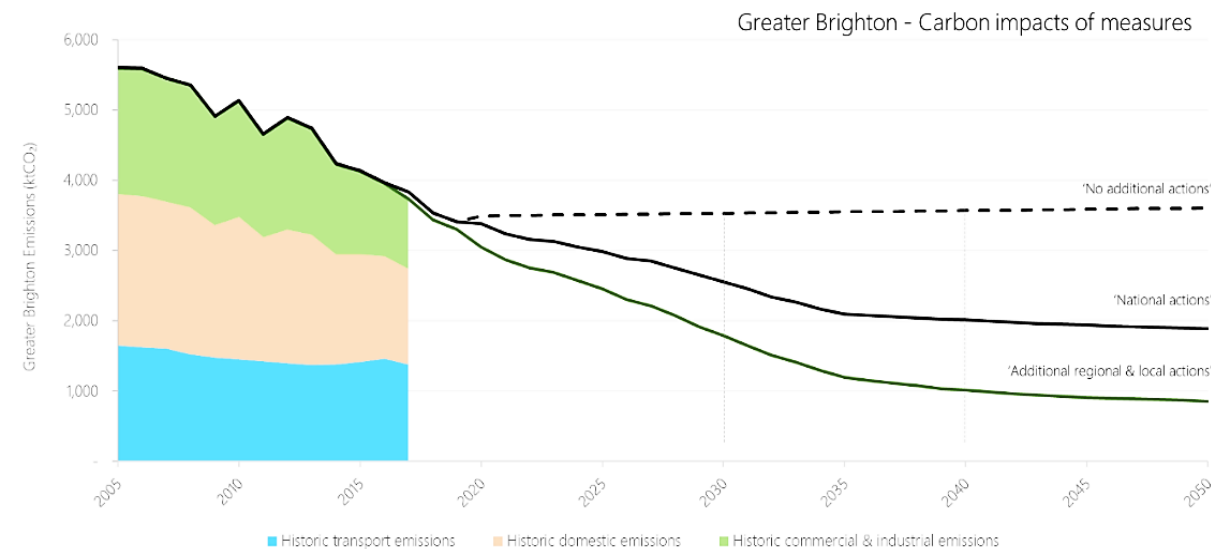
There are many opportunities for innovation and scaling up to create a cleaner energy system

Challenges & opportunities

- Assessment of renewable energy technologies, their applicability and readiness for implementation
- GIS mapping of renewable energy resources and opportunities shows:
- Good resources of sun, wind and sea, but geographical constraints of dense urban areas and many protected landscapes
- Large rural areas are not on gas grid
- Most housing is not up to current standards for energy efficiency
- 2 ports but little heavy industry



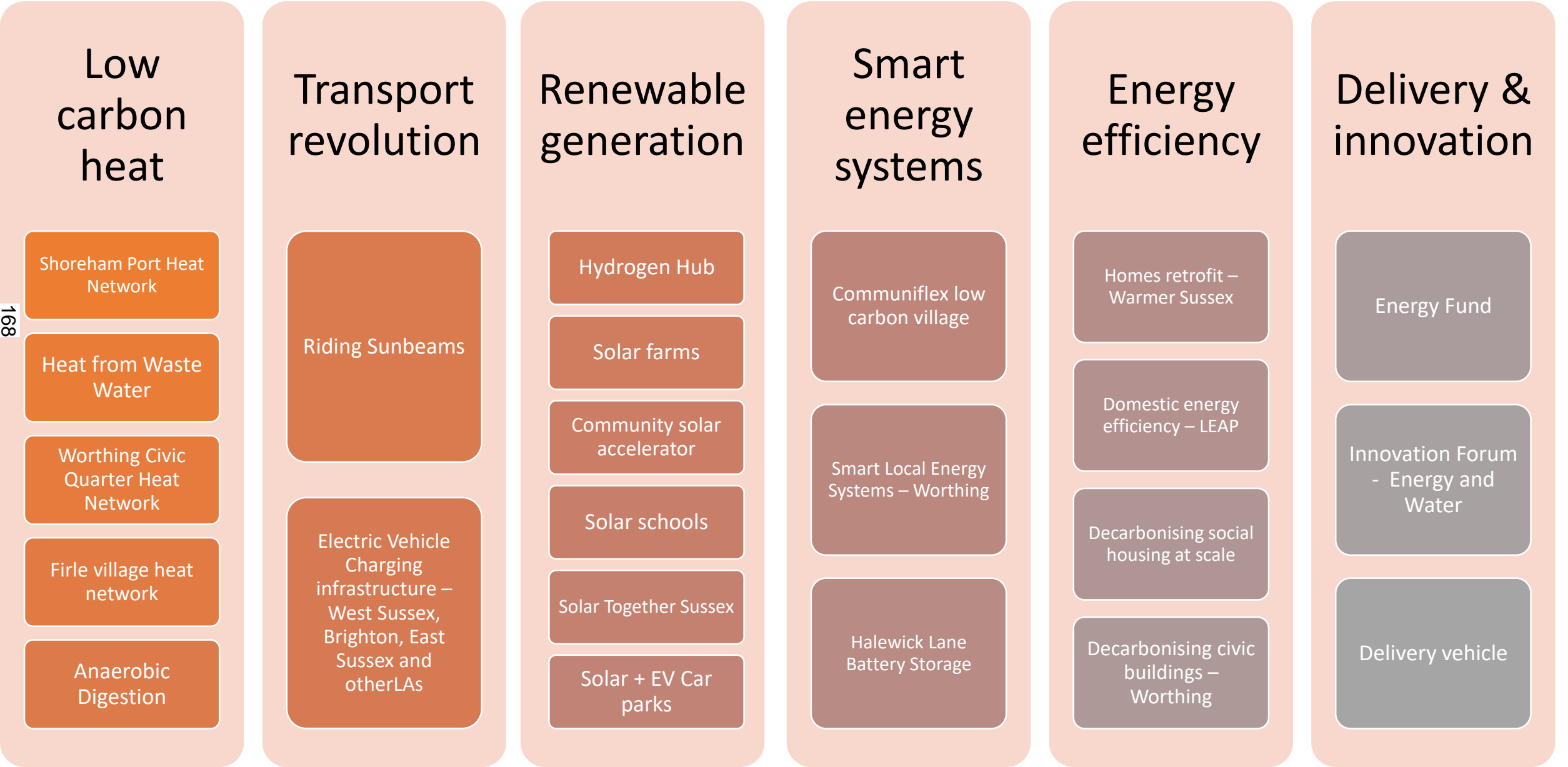
Carbon reduction scenario modelling shows intensive action is needed to achieve net zero / carbon neutral targets



Energy Plan stakeholders have a pipeline of investable project opportunities that will

- transform our regional energy systems
- scale up and coordinate existing activity
- Enhance community engagement in renewable energy

Energy Plan identifies over 30 investable pipeline projects



Work is already underway to build a delivery strategy

Continuing our collaboration

- GB Energy Working Group will continue to work, focussed on delivery
- Innovation Forum on Water and Energy starts July 2020, sponsored by University of Sussex with collaboration of University of Brighton
- Hydrogen group starts July 2020 to map potential for green hydrogen and promote development of supply chain, production, distribution, use
- Expanding partnerships with community energy companies

Taking projects forward

- Identifying skills gaps eg heat pump installers, retrofit coordinators
- Increased renewable generation from public assets
- Identifying projects for investment to contribute to a green recovery from Covid19
- Investigating potential for joint delivery of social housing retrofit and bike-share schemes
- Establishing partnerships with gas and electricity suppliers which will enhance forward planning capability and enable collaboration on future energy projects

Greater Brighton can lead delivery on the Energy Plan

1. Strategic

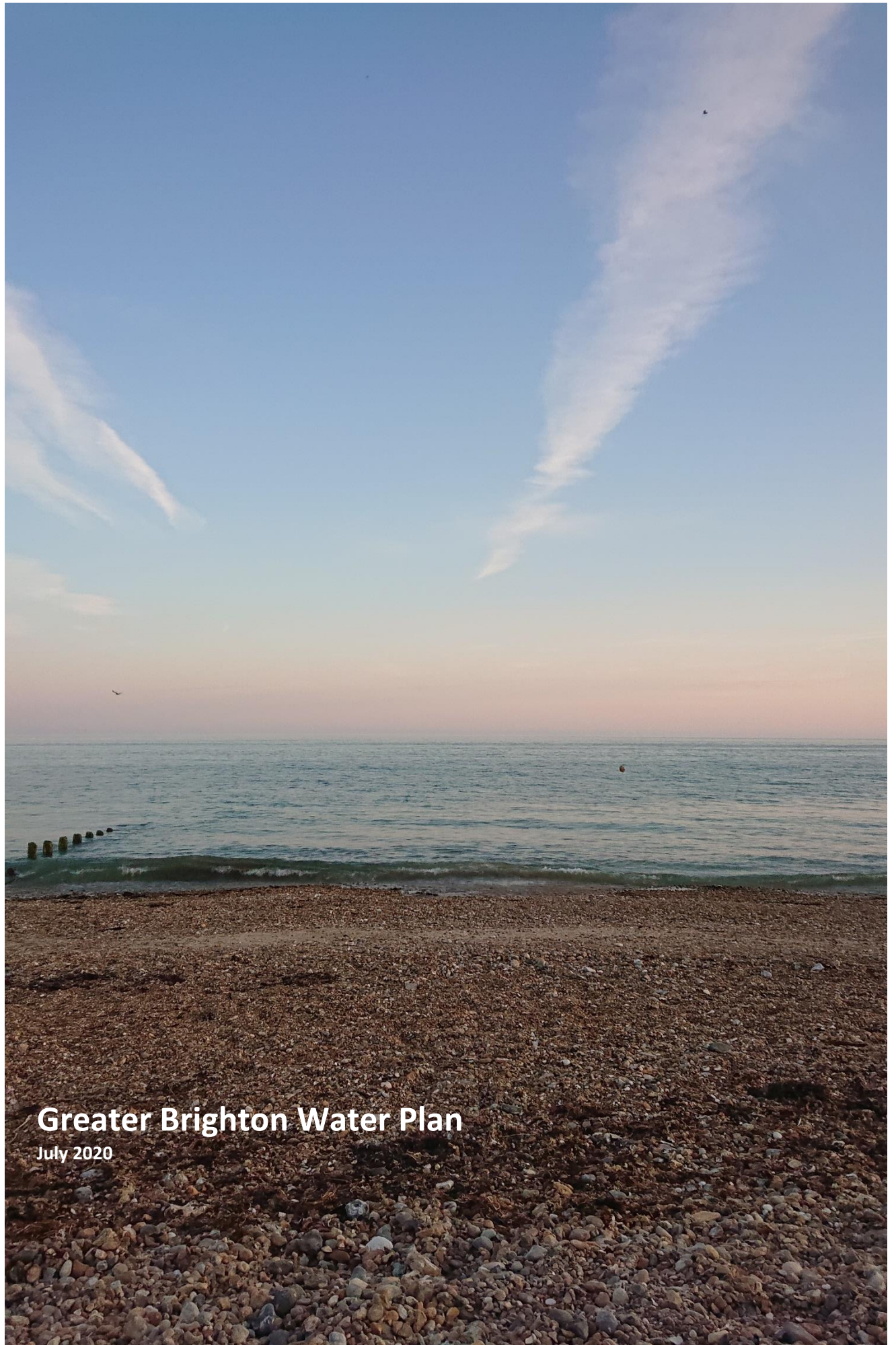
- Ensure the Energy and Water Plans are aligned and embedded with Local Infrastructure Strategy and other regional strategies
- Coordination with Coast 2 Capital LEP
- Identify issues which require strategic review or lobbying

2. Investment

- Insights into and facilitating access to investment and government funding
- Investigate feasibility of a **Local Energy Fund**
- Investigate feasibility of a **special purpose / joint venture vehicle** to operate across Greater Brighton, to attract grant funding and external investment, to deliver pipeline energy projects and reinvest profits

3. Facilitation

- Work in partnership with wider stakeholders to make the most of GB economic and housing growth ambitions to create opportunities for low carbon energy and energy efficiency.
- Identify & prioritise clusters of energy projects, eg business parks, new housing
- Work with utilities on forward planning capability - impact of energy projects on gas, electricity and water infrastructure
- Enhance local supply chain options – supplier frameworks; identifying skills gaps and employment opportunities



Greater Brighton Water Plan

July 2020

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Foreword from Ben Earl – Head of Water Efficiency at Southern Water and Chair of the Water Working Group

Greater Brighton is home to so much we all value.

We have an exceptional environment – miles of beautiful coastline, the South Downs National Park and a UNESCO Biosphere.

Before the covid-19 crisis hit, it was home to 400,000 jobs across 40,000 businesses from aviation to agriculture, high-tech manufacturing to creative agencies and tourism to international trade.

The coastline, the biosphere, the South Downs and the cultural hub of Brighton are why people visit Greater Brighton from across the UK and around the world.

All of these – and more – are why people want to move, work and stay here. This is why our region is growing.

But it's not without its challenges. This plan outlines the actions Greater Brighton can take to meet one of its biggest – water.

Water companies can – and are – taking steps to increase the quality and quantity of our resources. But there are actions that can only be taken collaboratively. Which is why we involved more than 45 organisations in the developing both the energy and water plans.

The projects we will develop over the next five years will help make Greater Brighton more resilient, improve affordability for residents and set the groundwork for our region to be recognised as a national leader in water efficiency and sustainable development.

The economic impact of covid-19 is still being understood, but we know it will be felt for many years. Stakeholders and political parties are calling for us to “grow back greener” and the Local Government Association estimates nearly 700,000 jobs could be created in a green recovery by 2030, with a fifth of those in retrofitting existing homes¹.

While the majority of the work to develop the plan was carried out before the crisis, the actions within it will help alleviate its economic impact – while addressing the longer-term climate challenge and setting a strong foundation for a resilient future.

¹ <https://www.local.gov.uk/lga-over-million-new-green-jobs-could-be-created-2050>

Introduction

Without action, the Greater Brighton region faces a water supply deficit of almost 90 million litres per day by 2050 due to the combined pressures of climate change, population growth and environmental protection. At the same time, there are increased risks of groundwater pollution from industry and agriculture and threats to infrastructure from flooding and coastal erosion.

Water companies have, and are developing, long-term plans in place to address these. This plan adds to these by bringing water companies, local authorities, regulators and businesses together to identify gaps in knowledge and policy, share best practice and identify solutions.

Without this plan, Greater Brighton will miss opportunities to become a UK-leader in sustainable water management, to improve the affordability of water and energy for its residents and secure a more sustainable foundation for growth.

Impact of Covid-19

The bulk of this plan was developed before the impact of Covid-19 became apparent. As such, many of the timings have had to become longer-term and less certain. We know the economic impact will be felt across business and both the public and charity sectors – so we may find funding available before the pandemic is no longer accessible.

As a result of the impact of Covid-19, the plan has to be flexible. The uncertainty – both economic and social – means competing pressures have to be managed and certain activities necessarily be prioritised over others. It also means the plan takes on a secondary purpose – as an evolving evidence base for Greater Brighton and Coast to Capital LEP to help our region sustainably recover.

Supporting a green recovery

Stakeholders have called for the UK to ‘grow back greener after lockdown’² and the projects and ambitions in both the energy and water plans will support Greater Brighton to do that. Infrastructure investment is an established vehicle for economic recovery, but this should not be limited to traditional ‘hard’ infrastructure thinking.

Through Coast to Capital, local authorities have submitted requests for £40 million to fund 10 (from an initial list of more than 100) projects to the Ministry of Housing, Communities and Local Government. These projects include funding for innovation centres, improving rural connectivity, developing green skills and investing in green technology. At the time of writing, the projects being funded are still to be determined.

² <https://greenallianceblog.org.uk/2020/05/04/we-must-grow-back-greener-after-lockdown/>

Separately, Southern Water has submitted for £530 million of no-regrets projects to government to be brought forward to aid recovery and facilitate future growth – possibly creating 35,000 jobs across the South East³.

The Local Government Association estimates potentially 700,000 jobs could be created by investment in a green recovery – with as many as 140,000 through retrofit programmes⁴. By working across Greater Brighton, and through the Coast to Capital LEP, additional funding could be secured for energy and water plan projects – possibly alleviating difficulties around cross-utility funding.

The next steps for the Infrastructure Panel will be to understand how the outputs from both plans can best support submissions by Coast to Capital LEP for funding and consider whether a supporting Green Recovery delivery plan is appropriate. This work will begin in summer 2020.

³ These are both direct and indirect through the supply chain

⁴ <https://www.local.gov.uk/lga-over-million-new-green-jobs-could-be-created-2050>

The plan

Vision

This plan is the first five-year step on the journey to achieve the Water Working Group's vision that:

*By 2040, Greater Brighton will enjoy a **resilient**, integrated water environment, underpinning sustainable growth, with a popular appreciation of the fundamental role water plays in supporting daily life*

This supports the Greater Brighton Economic Board's vision that the region will be a modern, growing economy that is international, creative, connected, talented and **resilient**.

A number of key objectives sit under the water plan's vision:

- Adopting a region-wide target of 100 litres per person per day by 2040 and sustainably reducing consumption
- Increase security and resilience of the water environment
- Achieve affordable water bills for all
- Understand and overcome key water infrastructure constraints to sustainable growth
- Measuring, protecting and investing in Greater Brighton's natural capital
- Providing regular information about water resources to Greater Brighton residents

To achieve these objectives, the water plan identifies five projects to be delivered over the next five years:

- Supplementing water efficiency home visits with energy efficiency interventions and affordability information
- Supporting [Sussex Inshore Fisheries Conservation Authority's Kelp Forest Restoration project](#) and investing in carbon-capture projects
- Piloting water neutrality for new developments of ten homes or more
- Piloting water recycling for 3,500 new homes at Northern Arc, Burgess Hill
- A raingarden communication campaign to promote nature and natural drainage in domestic gardens, driveways, pavements and business spaces.

This plan identifies opportunities and projects, but does not provide exact detail of where and how they should be delivered. After the plan has been adopted, the Water Working Group (WWG) will develop detailed execution plans, confirm funding sources and provide a launch pad for new activity.

This plan primarily focuses on water availability and quality, with limited focus on the impacts of flooding. This is due to the complexity of this issue and limited engagement with

Lead Local Flood Authorities (LLFAs) in Greater Brighton. The WWG has drafted a proposal for a technical study to understand flooding and coastal erosion across Greater Brighton and identify interventions to mitigate their impacts.

Themes

The water plan was developed around four interconnected themes – investing in our natural capital, engaging and inspiring communities, catering for sustainable growth and protecting our water resources.



Figure 1 – Themes in the water plan

Many of the projects and commitments within the plan support multiple themes, illustrated by the table below.

<u>Theme</u>	<u>Engaging and inspiring communities</u>	<u>Catering for sustainable growth</u>	<u>Protecting our water resources</u>	<u>Investing in our natural capital</u>
<u>Project / commitment</u>				
Real-time water resource information	✓		✓	
Water neutrality		✓	✓	
Enhanced home visits	✓	✓	✓	
Carbon capture projects and kelp restoration	✓	✓		✓
Reducing consumption to 100 litres per person	✓	✓	✓	
Water recycling	✓	✓	✓	
Affordable water bills	✓			
Overcoming constraints to sustainable growth		✓	✓	
Measuring and protecting natural capital	✓	✓	✓	✓

Table 1 – example of projects and themes

Water, energy, agriculture nexus

It's essential the challenges around water, energy and agriculture are addressed in an integrated way.

Food production is inextricably linked to water, and new agricultural policies will incentivise land managers for delivering public goods. Across the UK, almost 30% of licenced water abstractions are used for energy generation – and wastewater treatment processes are a source of renewable energy, as well as high-quality fertiliser for agricultural land. The Environment Agency estimate an additional 175 million litres of water per day is needed by 2050 to meet non-domestic needs⁵.

Numerous reviews and studies, including the 2009 Walker Review of water charging the Committee on Climate Change's report [UK Housing: Fit for the Future?](#) and the Green Alliance's [Cutting the Cost of Water](#) called for stronger links between water and energy efficiency programmes, with the latter finding ambitious water efficiency could reduce overall household bills by around £80⁶.

The water, energy, agriculture nexus illustrates the links and interdependencies between the three sectors and 'solving' this will deliver multiple benefits across them.

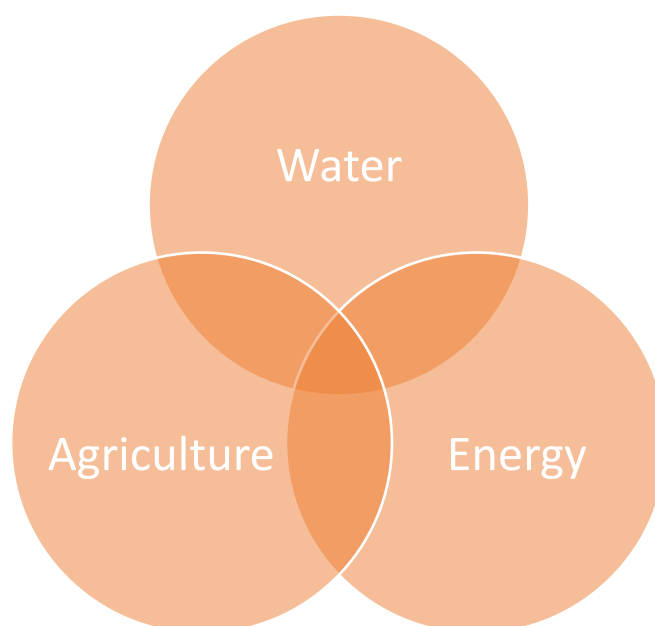


Figure 2 – water, energy, agri nexus

This plan is closely linked to the energy plan, but with some important differences.

The two sectors are regulated differently, meaning it is very difficult for new entrants and community-scale initiatives in water compared to energy. As a result, none of the

⁵ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/873100/National_Framework_for_water_resources_summary.pdf

⁶ Green Alliance – Cutting the Cost of Water

recommendations in this plan are investible opportunities of the same kind identified by the energy plan.

During the development of the concept of a community investment bond it emerged the costs were too high, with too low a return. This idea will be explored further to see if an investible programme can be identified.

Water companies' investment programmes are set and regulated by Ofwat, the sector's economic regulator. This adds an additional level of complexity to identifying and acting on investible opportunities and alternative sources of funding. The latest water company price determination, PR19, has been described by Ofwat, companies and commentators as "the toughest yet" adding additional financial pressures to water companies⁷.

As a result, the majority of the recommendations are to change policies, collaborate deeper and build on projects already underway to deliver more integrated, holistic benefits. Work will continue to identify investible opportunities which benefit residents, businesses, local authorities and investors.

⁷ <https://commonslibrary.parliament.uk/research-briefings/cbp-8931/>

Context

Greater Brighton

Greater Brighton stretches from Brighton to Crawley, and from Bognor Regis to Seaford and is home to almost 990,000 people, two international ports and an international airport.

Greater Brighton is also home to a UNESCO Biosphere, a national park, an area of outstanding natural beauty, 17 designated bathing waters and over 100 Sites of Special Scientific Interest. Six of the seven Greater Brighton local authorities have declared a climate emergency, with Mid Sussex district council pledging to “actively look for ways to protect the environment and tackle climate change”.

Before Covid-19, Greater Brighton supported 400,000 jobs and an economy worth £21 billion. The economic damage caused by the pandemic may not become apparent for some time, but it is clear it will have a severe impact to the important sectors in Greater Brighton.

The scale of the challenge

The South East is a growing region, and Greater Brighton is no different. The table below shows the predicted population increase by local authority area to mid-2028. Overall, Greater Brighton’ population is predicted to increase by 5.05% (almost 50,000). As a percentage, this is higher than the South East (4.4%) and London (4.9%)⁸.

Local Authority	Population Increase	Percentage Increase
Adur	2,125	3.3%
Arun	13,724	8.6%
Brighton and Hove	10,454	3.6%
Crawley	3,599	3.2%
Lewes	5,350	5.2%
Mid Sussex	8,915	6.0%
Worthing	5,755	5.2%
Greater Brighton	49,922	5.05%

Table 2 – population growth by Local authority

Without action, the Greater Brighton region faces a potential water resources deficit of around 90 million litres per day by 2050. The graph below shows the baseline (before water company interventions) supply-demand balance for the five water resource zones (WRZs) within Greater Brighton to 2050.

⁸

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/bulletins/subnationalpopulationprojectionsforengland/2018based#change-by-region>

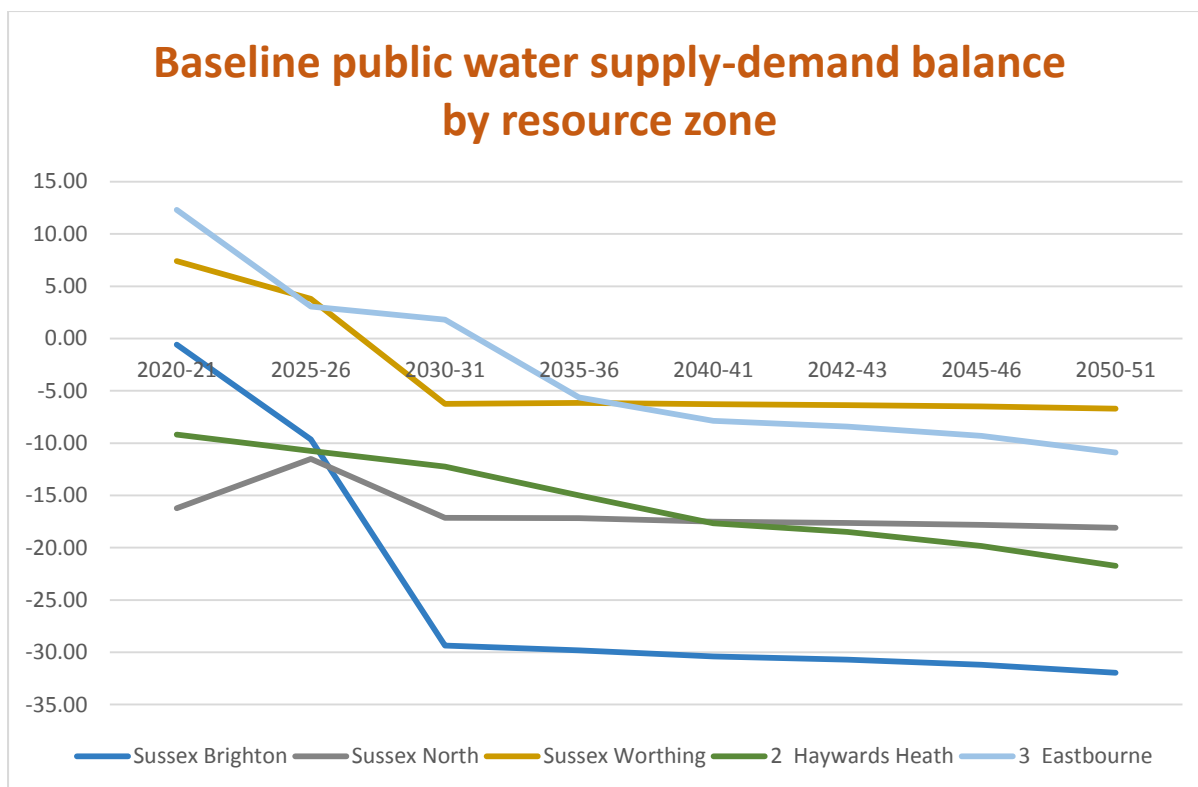


Figure 3 – Baseline public water supply-demand balance by resource zone

Water companies have long-term plans to address resource shortfalls, including significant investment in infrastructure. Policy interventions, large-scale behaviour change programmes and investment in natural capital will have positive impacts and deliver broader benefits – in potentially more cost effective ways.

Greater Brighton’s water resources challenges are not unique within the South East. Based on conservative estimates the South East will need an additional 1 billion litres of water a day over the next 30 years⁹.

Greater Brighton also has to address the “nitrates time bomb”. This is a phenomenon caused by historic high applications of artificial fertilisers that have not filtered through into groundwater aquifers because of the local geology – particularly in chalk areas. Although we are aware of the threat, it could take up to 100 years for nitrate levels to peak¹⁰.

With the majority of water supplied to Greater Brighton coming from groundwater¹¹, this is particularly acute challenge to address. Water companies are investing in catchment management and multi-stakeholder programmes like [The Aquifer Partnership](#) (formerly [Brighton ChaMP](#)) are specifically addressing this.

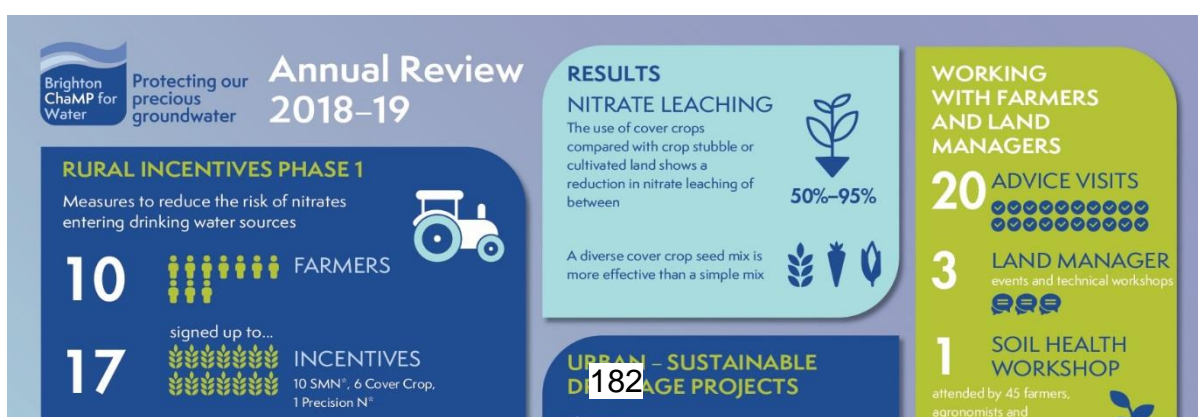


Figure 4 – The Aquifer Partnership infographic

Flooding and Coastal Erosion also creates challenges for sustainable growth across Greater Brighton. In the two years from 2018 to 2020, the Environment Agency objected to 37 planning applications across Greater Brighton and surrounding areas on flood risk grounds¹².

Planning authority ¹³	EA Objections ¹⁴
Adur and Worthing	20
Arun	30
Crawley	9
East Sussex	2
Mid Sussex	1
Lewes	9
South Downs National Park	4

Table 3 – EA planning objections on flood risk grounds – April 1 2017 to 31 March 2018

Almost the entire length of Greater Brighton’s coastline has a coastal erosion intervention planned. The map below shows planned interventions based on the Shoreline Management Plan for each area. Almost every ‘management unit’ has “hold the line” interventions

¹² <https://www.gov.uk/government/publications/environment-agency-objections-to-planning-on-the-basis-of-flood-risk>

¹³ No data available for Brighton and Hove City Council or West Sussex County Council. East Sussex County Council included to

¹⁴ This includes where the EA identified risks to life or property and where unacceptable flood risk assessments have been carried out

planned. This means it has an “aspiration to build or maintain artificial defences so that the position of the shoreline remains”. Between Brighton and Newhaven there is a section of ‘No Active Intervention’ and at a number of locations around Brighton and Peacehaven the policy is to hold the cliff toe until 2055 and then monitor, manage and review¹⁵¹⁶.

As mentioned above, flooding and coastal erosion is an incredibly complicated issue involving a wide range of stakeholders from central and local government, as well as water companies, community groups and infrastructure providers. The Water Working Group has drafted a proposal for a technical study to understand flooding and coastal erosion across Greater Brighton and identify interventions to mitigate their impacts.

The Southern Regional Flood and Coastal Committee includes 13 elected members from local authorities alongside a number of independent expert members and a representative from Southern Water. Its role is to:

- Ensure coherent plans for identifying, communicating and managing flood and coastal erosion risks across catchments and shorelines
- Encourage efficient, targeted and risk-based investment in flood and coastal erosion risk management that represents value for money and benefits local communities
- Provide a link between the Environment Agency, LLFAs, other risk management authorities, and other relevant bodies to build understanding of flood and coastal erosion risks in its area

In June 2020, Southern Water began work on its first Drainage and Wastewater Management Plan (DWMP). DWMPs are new long-term planning studies that will identify sewerage and wastewater treatment needs over the next 25 years – similar to the approach companies already take for water resources planning.

Industry body Water UK has developed a framework for companies to use as they develop their first plans¹⁷. Companies will consult on their plans during 2022 to inform their 2024 price review and investment programmes from 2025 onwards.

¹⁵

<https://environment.maps.arcgis.com/apps/webappviewer/index.html?id=9cef4a084bbb4954b970cd35b099d94c>

¹⁶ <https://se-coastalgroup.org.uk/shoreline-management-plans/beachy-head-to-selsey-bill/>

¹⁷ <https://www.water.org.uk/policy-topics/managing-sewage-and-drainage/drainage-and-wastewater-management-plans/>

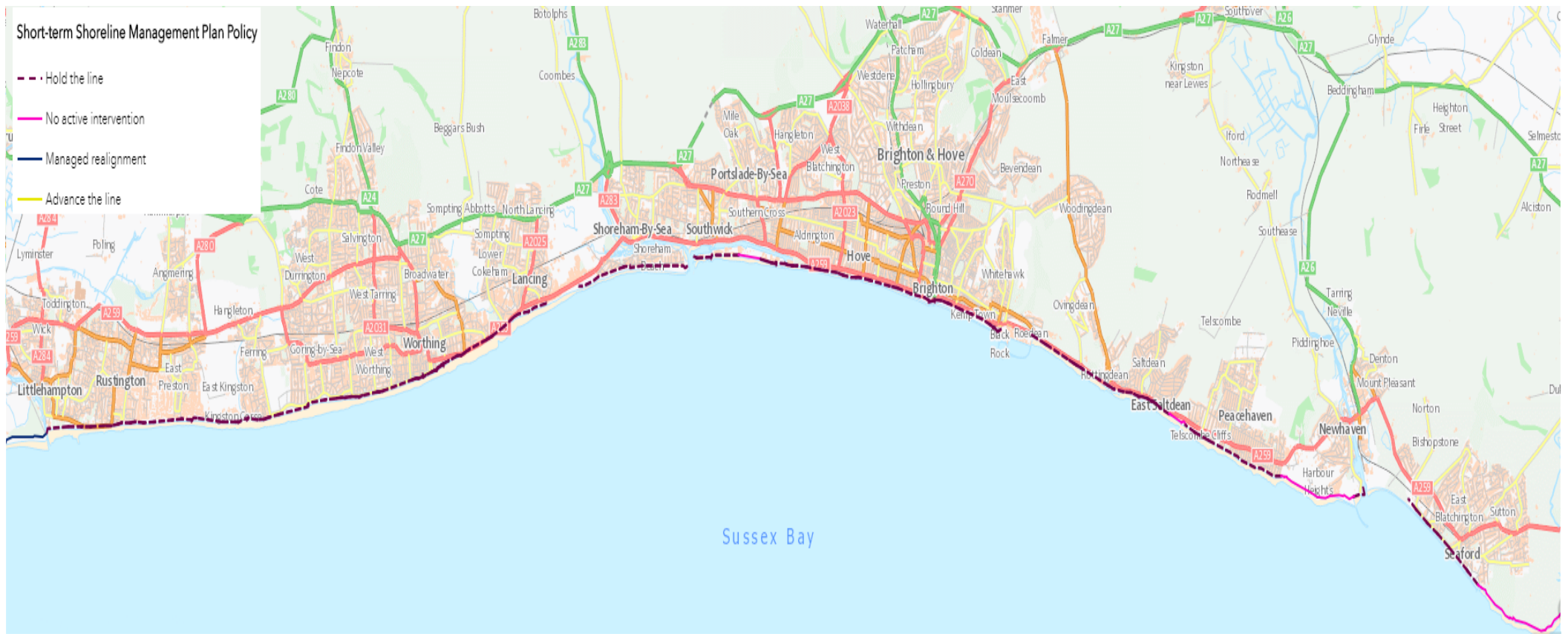


Figure 5 – map showing coastal erosion interventions across Greater Brighton

Relevant national policy

In recent years, water has risen up the public, political and policy agendas, and the Greater Brighton Water Plan reflects this.

The 25 Year Environment Plan

Government's 25 Year Environment Plan (25 YEP) set out how it will meet its commitment to improve the environment.

Two goals from the 25 YEP are highly relevant to the water plan: to **"Ensure clean and plentiful water"** and **"Reduce the risk of harm from environmental hazards"**. The table below shows the actions identified under these two goals.

Some of the actions outlined in the 25 YEP have been taken. Defra consulted on measures to reduce personal water consumption in late 2019 and the outputs are expected to be included in the Environment Bill.

Ensure clean and plentiful water	Reduce the risk of harm from environmental hazards
<ul style="list-style-type: none"> ➤ Safeguard and improve the quality of surface and ground waters through an effective and modern framework of protection and tools ➤ Reach or exceed objectives in our river basin management plans for rivers, lakes coastal and ground waters that are specially protected ➤ Protect bathing waters, shellfisheries, protected sites for wildlife and marine water quality ➤ Ensure sustainable levels of abstraction through our regulation and action ➤ Ensure resilient, sustainable, affordable water and sewerage services to homes and businesses in England 	<ul style="list-style-type: none"> ➤ Ensure a water infrastructure and water environment that can cope with extreme events by producing national and local resilience and incident response plans, including drought plans ➤ Coordinate the delivery of the National Flood Resilience Review commitments, including working with the water sector to deliver permanent improvements to the flood resilience of their assets

Table 4 – 25 Year Environment Plan goals and actions

Environment and Agriculture Bills

In the December 2019 [Queen's Speech](#), the Government committed to bringing back its Environment Bill to "protect and improve the environment for future generations". This includes enshrining environmental principles and targets in law and the establishment of a "world-leading regulator".

It also includes specific action on water. Government said the bill will contribute to:

“Managing water sustainably through more effective legislation to secure long-term, resilient water and wastewater services. This will include powers to direct water companies to work together to meet current and future demand for water, making planning more robust, and ensuring we are better able to maintain water supplies.”

The Speech also included the Agriculture Bill, which will move the agricultural subsidy system to one “based on ‘public money for public goods’” – including protecting and improving water quality and reducing flood risk.

Government committed to responding to the National Infrastructure Commission’s National Infrastructure Assessment (NIA) by publishing a National Infrastructure Strategy alongside its first budget. This NIA included recommendations on water infrastructure, water efficiency and flood resilience.

Due to Covid-19, progress of both the Agriculture and Environment Bills, alongside Government’s full National Infrastructure Strategy, has stalled.

National Infrastructure Commission

The National Infrastructure Commission (NIC) published its NIA in 2018 which recommended compulsory water metering across the UK by 2030, halving leakage by 2050 and increased water transfers. It estimated securing resilient water supplies would cost £20 billion – compared to the £40 billion cost of reactive fixes and potential economic damage.

The Treasury published an interim response to the NIA in October 2018. In it, Government acknowledged the water sector is “beginning to rise to the challenge” and said regulators are assessing plans to ensure they are “in line with government expectations”.

The National Infrastructure Commission published a proposed resilience framework – Anticipate, React, Recover – in June 2020. It makes three recommendations:

1. Government should introduce a statutory requirement by 2022 for Ministers to publish
 - a. Clear, proportionate standards for the resilience of energy, water, digital and transport services
 - b. an assessment of how existing structures, powers and incentives enable operators to deliver these standards or where changes are needed
2. Regulators should, by 2024, require regular stress testing for energy, water, digital and transport infrastructure operators, to ensure infrastructure operators’ systems and decision-making can credibly meet resilience standards for infrastructure services
3. Energy, water, digital, road and rail infrastructure operators should develop and maintain strategies to ensure infrastructure services can continue to meet resilience standards in the long term. To ensure this, regulators should:
 - a. introduce obligations by 2023 on infrastructure operators to require them to develop and maintain long term resilience strategies
 - b. In future price reviews, set out how their determinations are consistent with meeting short and long-term resilience standards

National Framework for Water Resources

In March 2020, the Environment Agency published its national framework for water resources: [Meeting our Future Water Needs](#). This sets out the scale of the national challenge, as well as actions for water companies and regional water resources groups.

Each of the regional water resources groups will develop cross-sector strategies which understand the needs of all water uses, in contrast to water companies' statutory water resources management plans which only consider the needs of domestic customers. Each regional plan will "drive a step-change in water resource planning" by:

- **Increasing resilience to drought** so restrictions such as temporary use bans are needed no more than once in every 500 years by 2030
- **Delivering greater environmental improvement** by delivering sustainable abstraction reductions across sectors
- **Long-term reductions in water usage** by planning to achieve average per capita consumption of 110 litres per person per day by 2050
- **Leakage reduction** by delivering the industry's target of halving leakage by 2050
- **Reducing the use of drought orders and permits** by understanding the environmental risks of each measure and using them less frequently
- **Increasing supplies** by exploring a range of storage options and developing new sources
- **Moving water to where it's needed** – by fully exploring opportunities for transfers

Regional Policy

Water Resources in the South East is a collaborative effort between the South East's water companies, Defra and sector regulators. Its ambition is to create a region-wide Water Resources Management Plan, factoring in the needs of all water users, ahead of 2024. It has started this process, in line with the national framework for water resources.

Coast to Capital Local Enterprise Partnership's Strategic Economic Plan lists 'Investing in sustainable growth' as a key priority for the region with ambition to reduce water demand and has set short and long-term actions, as outlined below:

Actions 2018-20

- Investigate what is needed to create a regulated market place for investment in natural assets and services.
- Bring together local authorities, utility providers and neighbouring Local Enterprise Partnerships to identify potential for development standards for water and waste use and management

Actions 2020-30

- Support low-carbon growth and innovation through knowledge transfer from our area's universities.
- Agree development standards for waste and water use and management

As of June 2020, Coast to Capital is reviewing its evidence base for the Local Industrial Strategy in response to Covid-19. The Working Water Group, through the Infrastructure Panel, is committed to supporting this work and feed projects in as appropriate.

Water resources and water efficiency

This is the biggest challenge identified by the group.

Water companies have long-term plans to address resource shortfalls, including significant investment in infrastructure. Policy interventions, large-scale behaviour change programmes and investment in natural capital will have positive impacts and deliver broader benefits – in potentially more cost effective ways.

Sustained pressure to embed water efficiency in new developments will help balance the needs of new developments, the requirements to invest in carbon-intensive infrastructure and ensure more water is left in the environment.

The table below shows policies Greater Brighton local authorities have in place or are proposing. There is ambition to implement more ambitious water efficiency targets, but local authorities are often unable to enforce these. Greater Brighton can use its collective voice to push Government for tighter water – and energy – efficiency standards in new homes and work across sectors to encourage and incentivise developers to go further.

It is crucial new developments are designed with the needs of existing communities in mind and sustainability is embedded from the outset. Greater Brighton can become a test-bed for new initiatives – from behaviour change campaigns to adopting development-scale water recycling and rainwater harvesting.

Local Authority	Water efficiency standards for new homes
Adur	To ensure that all new development of two dwellings or more are water efficient and reduce pressure on water abstraction sites, it must include measures that meet the optional standards of 110 l/person/day
Arun	To ensure that all new development of two dwellings or more are water efficient and reduce pressure on water abstraction sites, it must include measures that meet the optional standards of 110 l/person/day. – <u>from adopted local plan</u> -
Brighton and Hove	All development proposals including conversions, extensions and changes of use are required to demonstrate how the development aspires towards water neutrality by meeting high water efficiency standards and incorporating facilities to recycle, harvest and conserve water resources. From <u>CP8 sustainability policy</u>
Crawley	New dwellings should, where viable and technically feasible, meet the Building Regulations optional requirement for tighter water efficiency. For non-residential development, where technically feasible and viable, development should meet BREEAM Excellent, including addressing maximum water efficiencies under the mandatory water credits
Lewes	Planning permission will not be granted for development schemes which do not incorporate measures to conserve and make the best use of existing water resources, including reducing wastage.
Mid Sussex	Residential units should meet a water consumption standard of 110 litres per person, per day (including external water use); Non-residential buildings should meet the equivalent of a 'Good' standard, as a minimum, with regard to the BREEAM water consumption targets for the development type."
South Downs National Park	Water: Total mains consumption of no more than 110 litres per person per day from <u>local plan</u>
Worthing	Securing higher levels of water efficiency also helps to improve wastewater treatment capacity through reducing the amount of water needing treatment. Accordingly, all new dwellings in Worthing will be required to meet the tighter Building Regulations optional requirement of 110 litres/person/day. From <u>local plan consultation document</u>

Table 5 – Greater Brighton water efficiency standards

The First Five years – Projects being taken forward

Through engagement with stakeholders and understanding the context outlined above the Water Working Group identified three issues which need to – and can be – addressed by the Greater Brighton plans. These are:

- Water resources (including quality) and efficiency
- Improving affordability
- Investing in our natural capital and better management of the water environment

Each of the five projects outlined below addresses one of more of these issues and themes identified (as demonstrated in table 1 above and table 6 below). The projects have been refined through engagement with the Water Working Group from a larger list to those deliverable within the five-year timeframe and the remit of Greater Brighton.

Alongside the delivery of these projects, the Water Working Group will continue developing projects it deemed could not be delivered within the timeframe or without further investigation or information and support the work of the innovation group.

<u>Project</u>	<u>Water resources (including quality) and efficiency</u>	<u>Improving affordability</u>	<u>Investing in our natural capital and better management of the water environment</u>
<u>Water neutrality</u>	✓	✓	
<u>Enhanced home visits</u>	✓	✓	
<u>Carbon capture projects and kelp restoration</u>	✓		✓
<u>Water recycling</u>	✓	✓	✓
<u>Rain garden campaign</u>	✓		✓

Table 6 – Water Working Group projects

Water neutrality

New developments should have a minimal impact on the resilience of both the environment and existing infrastructure. Water companies are obliged to provide connections to new developments and develop new supplies if required.

‘Water neutrality’ is the idea new developments should have a ‘neutral’ impact on the amount of water used in the area and therefore the amount taken from the environment.

There are, broadly, two ways to achieve water neutrality – making a new development totally self-sustaining through on-site water supplies and potable water recycling or by offsetting its consumption. The first option is not yet technically or economically feasible, particularly for smaller developments. The water recycling pilot project at Northern Arc will be an important step towards this.

The second option, offsetting, is more feasible. Developers will be asked to contribute to highly successful water saving retrofit programmes (linked to energy efficiency through the plan) with the aim of being water “neutral”, ensuring new developments are as sustainable as possible. This programme will be in addition to, rather than in place of, the ambitions Greater Brighton local authorities have for water efficiency in new developments.

We estimate the cost per home visit would be £70 to £100 and would apply to developments of more than ten homes. This project will deliver the water neutrality pledge.

Themes and issues addressed

- Protecting our water resources
- Catering for sustainable growth
- Engaging and inspiring communities
- Water resources and efficiency
- Improving affordability

Partners

This project requires equal commitments from three main partners:

- Water companies – providing links to water efficiency contractors, tracking water use to measure “neutrality”. Providing locations for home visits and delivering the visits through third parties
- Developers – funding water efficiency visits for identified nearby homes and embedding water efficiency best practice in new homes
- Local Authorities – setting planning expectations (and conditions where possible) that all developments of ten or more homes would be required to fund water and energy efficiency retrofits

Timescales and next steps

By early 2021, the Water Working Group will consult with stakeholders, including developers and local authorities, to determine a definition of water neutrality, including how best to measure it. It will also have identified possible funding mechanisms, including whether Community Infrastructure Levy funds could be used.

By the end of 2021, a pilot project in at least one local authority area will be identified including funding, measurement and evaluation.

By the end of 2022, the WWG will produce a lessons-learned document which can be used by local authorities when developing future strategic plans. This will also help identify possible policy changes Greater Brighton could lobby for.

Southern Water is working with Thames Water and Anglian Water on research to understand potential blockers to water neutrality and identify opportunities.

Ask for Greater Brighton Economic Board

- Local authorities to set planning expectations (or conditions where possible) that all developments of ten more homes are required to fund water and energy efficiency retrofits
- Other Greater Brighton members with housing stock – such as Universities – to support water neutrality with future developments
- Support from individual authorities for a pilot programme

Benefits

- Residents nearby to new developments will benefit from reduced water and energy bills
- Water companies will benefit from increased uptake of water efficiency measures and reduced consumption
- There will be benefits to long-term resilience as both new and existing developments will have reduced impacts on the environment
- Residents who previously may not have engaged in water saving behaviour may become more aware – increasing awareness of the importance of water in daily lives
- Carbon emissions will be reduced through lower domestic water use and heating – as well as reduced energy used to pump water¹⁸.

Risks and dependencies

- Developers cannot be compelled to contribute and are reluctant to volunteer funding, meaning the programme is limited to a very small number of homes
- Local authorities cannot change planning guidance or expectations
- Costs per visit are too high or economies of scale cannot be achieved
- New developments are in areas that have already had high levels of water efficiency visits, making the programme inefficient
 - This could be mitigated by developers funding an equivalent number of visits elsewhere in Greater Brighton, similar to carbon offsetting

¹⁸ Southern Water estimate treating and pumping 1 megalitre of water (equivalent to 1 million litres) generates 201 kgCO₂e – this excludes heating water at home

- Data sharing agreements between developers, local authorities and water companies will be necessary to properly target efficiency visits
- The visits will need to be carried out by an independent contractor to provide accountability and a clear way to track funding

Costs and funding

- Based on Southern Water's understanding of the market, water efficiency visits cost between £70 and £100 per visit
- Southern Water's water efficiency programme has delivered savings of around 36 litres per property, per visit
- The average per capita consumption in Southern Water's region is 130 litres per person per day. Average household occupancy, per the ONS, is 2.4 people, giving an average household consumption of 312 litres per person per day¹⁹
- Therefore for an average new house built to current buildings standards, there would need to be 8.7²⁰ water efficiency home visits to achieve water neutrality
- However, homes are built to 110 or 80 litres per person, the number of home visits (based on the same average household occupancy) would be 7.3 and 5.3 respectively
- Therefore the additional cost per new home will range from £371 to £870 depending on the final cost of the home visits and the per capita consumption level each new home is designed to

¹⁹ Note that this is **without** any other water efficiency measures such as using recycled water

²⁰ This is based on average consumption, multiplied by average occupancy, divided by the average saving per water efficiency home visit

Carbon Capture projects

Aims and Objectives

Carbon sequestration is a key pillar of our region's carbon neutrality ambitions and many interventions to capture carbon can deliver benefits for the wider water environment – or can be delivered by it.

The 'headline' carbon capture project supported by Greater Brighton is the restoration of the Sussex kelp forest. Greater Brighton wrote to the Environment Secretary in early 2020 expressing unequivocal support for Sussex IFCA's proposal to create an exclusion zone for drag-trawling, which would allow the kelp to regrow. It is also committed to looking at how to support the restoration of the forest. The appropriate method and body for doing this will be developed over time²¹.

Beyond the kelp forest, each local authority will identify suitable land in its area to create a new habitat, lock-up carbon and involve local residents as a physical demonstration of their response to the climate emergency.

The project could involve a combination of:

- Tree planting
- Marshland and wetland restoration
- Rain gardens
- Rewilding and working with nature

It's important to recognise the importance of offsetting as part of a regional approach to carbon neutrality – but not to the detriment of moving away from carbon-generating activities. Both activities should be undertaken, rather than an either / or choice. This was flagged as particularly important by the Water Working Group.

Partners

Delivering these projects depends on strong partnership working between local authorities, catchment partnerships, the Sussex Local Nature Partnership, water companies, the UNSECO biosphere and other environmental groups such as the Rivers and Wildlife Trusts and the Sussex Flow Initiative.

The Sussex Local Nature Partnership will lead on delivery. They are best placed to work with local authorities to identify the most appropriate projects for the land identified, secure funding and measure the natural capital benefits.

There are also partnership opportunities for local businesses by identifying space on their properties that could be turned over for carbon capture or by funding projects on local authority land as part of their carbon offsetting.

²¹ As of June 2020, the Environment Secretary is still to approve the required byelaw change.

Local community involvement is essential to make the projects a success. Residents' opinions should be sought when identifying appropriate green spaces to use for carbon capture and residents groups or neighbourhood associations could be provided with funding to maintain them. Local authorities, elected officials and environmental groups can identify the most appropriate methods of engaging local communities.

Potential Cost Implications and funding sources

The cost implications for this project are low. Local authorities can dedicate land already set aside as green space or identified through other programmes and the management costs will likely be covered by existing budgets.

Businesses in the area can support the projects by funding tree planting, if appropriate, or providing funding to environmental groups to deliver and maintain the projects on their behalf. As above, carbon offsetting is an important part of the mix of interventions to move Greater Brighton to Net Zero. Companies' financial commitments would depend on their offsetting budgets.

Community involvement could be funded through local authority and environmental groups' engagement budgets with support in kind from businesses and Greater Brighton.

Timeline and milestones

Due to the impact of Covid-19, timings need to be defined through consultation with local authorities and environmental groups. A suggested timeline is:

- Suitable projects identified in each local authority by April 2021
- Plan for each site agreed by July 2021
- Projects implemented by April 2025

Next steps

The lead partner – Sussex Local Nature Partnership – will start consulting with other partners to understand what land is available from local authorities, how best to measure the impact of interventions and identify sources of funding from businesses. After this, it will develop delivery plans for each project and oversee their implementation.

Ask for Greater Brighton Economic Board

There are two primary asks for the Greater Brighton Economic Board

- Each local authority to commit to identifying land available for the projects and working with the Sussex Local Nature Partnership to deliver them
- Work through business partnerships to identify businesses who want to invest in projects as part of their carbon offsetting

Benefits and outputs

The full range of benefits will be identified through measuring the natural capital before and after the interventions. However, it's documented that increased access to green spaces provide benefits to health and well-being, as well as improved biodiversity.

Depending on the type of project, in addition to carbon sequestration, benefits could include improved water quality and reduced flood risk.

Dependencies and Risks

The project is dependent on funding and support from local authorities at times when their budgets are stretched and they are having to prioritise essential activities. This may mean they cannot dedicate the time, resources and funding necessary to make the projects successful – including not being able to identify suitable locations.

WWG members flagged the risk that overly focussing on carbon offsetting and sequestration could detract focus from the changes in behaviours and practices needed to reduce carbon emissions. Both activities are necessary to achieve Net Zero.

WWG members also flagged tree planting cannot be seen as a 'panacea' and that it might not be the best solution in each location. If tree planting is the right solution, it's essential the 'right trees are planted in the right place' to maximise benefits.

Greater Brighton Pledges linked to

- Supporting the Sussex Kelp Forest restoration
- Lobbying

National and Local Policy Links

This project is linked to the following national and local policies, objectives and plans:

- 25 Year Environment Plan
- Local Industrial Strategy
- UNESCO Biosphere Strategic Plan
- South Downs National Authority strategic plan
- Climate emergencies declared in each local authority
- Individual business and sectors Net-Zero commitments – including the water industry Public Interest Commitments

Existing GB projects linked to

This project is linked to the following existing projects and plans underway or being developed across Greater Brighton:

- The Aquifer Partnership (formerly ChAmP)
- The Sussex Flow Initiative
- Water companies' business plans, Water Resources Management Plans and Drainage and Wastewater Management Plans

Water and energy efficiency visits

Aims and Objectives

Links between water and energy efficiency are well established, but combining the two has proved difficult. Different regulatory systems and the separation of wholesale and retail in the energy sector have made providing combined energy and water efficiency visits challenging – despite clearly identified benefits²². Capacity issues such as peak time energy usage and other energy saving measures will also be considered.

Greater Brighton residents, who receive water from Southern Water, will be offered a free, bespoke two-hour home visit which delivers behaviour change advice, free water and energy saving products (such as energy efficient lighting, water saving shower heads and tap regulators) and related information. They will also include fixing leaks on toilets.

Southern Water intend to carry out approximately 10,000 water efficiency visits across Greater Brighton over five years from April 2020. Their current programme saves approximately 36 litres per household, per visit.

Partners

Southern Water will lead on this project, but need financial and logistical support from a range of partners. Southern Water has an existing home visits programme and is committed to carrying out thousands more between 2020 and 2025.

However, it cannot fund additional activities on top of its home visits. It will need to secure funding from partners such as UK Power Networks or through Community Energy South and BHESCO networks. Community Energy South and BHESCO already have, or sponsor, home energy efficiency visits so can provide advice, logistical support and potential funding sources.

Research by the University of Sussex found those in vulnerable circumstances can benefit from household visits of this type – but often do not know how to access them. Local authorities, social housing providers and third-sector organisations working in the vulnerable sector could either share data with companies carrying out home visits or flag the visits to people who might benefit from them.

Potential Cost Implications and funding sources

The core home visit programme will be funded by Southern Water. Energy efficiency services will need to be funded by energy companies or community energy groups.

Timeline and milestones

- Consultation with water companies, energy network providers, local authorities and community energy groups by end of 2020

²² The Green Alliance estimate that ambitious water and energy efficiency can save consumers £78 per year on their household bills - <https://www.green-alliance.org.uk/resources/Cutting%20the%20cost%20of%20water.pdf>

- Pilot local authority area identified by May 2021
- Agreement with all stakeholders reached by Summer 2021
- Implementation from Summer 2021

Next steps

- Southern Water to work with UK Power Networks, Community Energy South and BHESCO to identify available funding to understand how many visits can be carried out
- Identify pilot local authority area to trial and measure success of combined visits
 - This area should be a mixture of rural and urban areas to reflect the geography of the region
- Seek support from Beis and Defra as part of UK Carbon Plan
- Work with third-parties to develop additional information on sustainability behaviour change and affordability support

Ask for Greater Brighton Economic Board

- Support from the Board for the concept and to identify potential pilot areas
- Sign up of each local authority to promote and share information from social housing register to allow targeted visits
- Support for lobbying efforts with Defra and Beis to join-up these areas in policy

Benefits and outputs

- Residents benefit from cheaper energy and water bills
- Reduced carbon emissions from lower energy and water use – both at a household and production / distribution level
- Increased awareness of the links between water and energy use

Dependencies and Risks

- No additional funding is available so the energy efficiency component cannot be funded
- No local authority commits to pilot the scheme or is unable to share data, meaning visits are less targeted
- South East Water do not currently offer free home water saving visits which may limit the area this can be rolled out into
- The impact of Covid-19 on customers' willingness for home visits will need to be understood. The visits are currently free for customers, but some additional incentives may need to be provided
 - The Water Insight group will undertake work to understand this

Greater Brighton pledges linked to

- Efficient homes
- Lobbying

National and Local Policy Links

This project is linked to the following national and local policies, objectives and plans:

- 25 year environment plan
- National Infrastructure Assessment
- Future Homes Standard
- Net zero targets
- Climate emergencies
- local plans

Existing GB projects linked to

- BHESCO home visits
- Community Energy South energy awareness champions
- Southern Water home visits programme and Target 100
- Water company Water Resources Management Plans

Rain garden campaign

Aims and Objectives

The aim of this programme is to encourage Greater Brighton residents – including commercial and public buildings – to increase the amount of space dedicated to ‘rain gardens’. This could include permeable pavements and advice to promote nature and natural drainage in gardens and green spaces.

This will be achieved through a communications campaign, led by The Aquifer Partnership, to encourage residents, when renovating front gardens or driveways to consider the benefits of green-blue solutions rather than concrete. For commercial or public properties, the awareness campaign will focus on identifying spaces on their land to turn over to rain gardens or sustainable drainage.

This will deliver benefits for water quality, improved biodiversity and localised flood resilience – as well as natural and social capital benefits from more green spaces.

In the longer-term, this will be reflected in planning policy across Greater Brighton through increased prominence of, and priority for, sustainable drainage.

Partners

The Aquifer Partnership (TAP) (formerly the Chalk Management Partnership (ChaMP)) will lead this programme, with their experience of delivering sustainable drainage, expertise in measuring benefits and strong links with local authorities and the national park.

They will be supported by environmental groups, such as the Brighton and Lewes Downs UNESCO Biosphere who also have expertise delivering and measuring sustainable drainage schemes.

Cost and funding sources

TAP will identify the funding needed for the public awareness campaign, which may require support from Greater Brighton members. Residents, businesses and public bodies will fund the individual projects themselves.

Timeline and milestones

- Campaign to be designed by February 2021
- Campaign to be launched in June 2021

Next steps

- TAP and Biosphere to scope the communications campaign, identify funding needed and approach supporters
- Identify project group and begin designing campaign

Ask for Greater Brighton Economic Board

- Sign up of each local authority to promote the campaign
- Working through business partnerships to identify potential sites to convert to blue / green infrastructure
- Possible funding for the awareness campaign

Benefits and outputs

- Improved and protected groundwater quality
- Increased resident engagement in adapting to climate change
- Natural and social capital benefits from more blue- green spaces
- Reduced flood risk
- Improved biodiversity
- Carbon sequestration

Dependencies and Risks

- Low resident uptake and awareness of the campaign
- Commercial and public sites do not adopt rain gardens and sustainable drainage
- Funding is not available for the communications campaign
- Longer-term, sustainable drainage and rain gardens are not formalised through regional planning policies

Greater Brighton pledges linked to

- Rewilding

National and Local Policy Links

This project is linked to the following national and local policies, objectives and plans:

- 25 Year Environment Plan
- UNESCO Biosphere Strategic Plan
- South Downs National Park Authority Strategic Plan
- Local plans
- Work of the Natural Capital Committee

Existing GB projects linked to

- The Aquifer Partnership
- Existing rain garden and sustainable drainage projects
- Drainage and Wastewater Management Plans

Water recycling in large new developments

Aims and Objectives

The South East is a designated area of water stress. It is also an area with high levels of predicted housing and population growth. To facilitate this growth, we need to approach how new developments use water in a different way.

Water recycling – returning highly treated water to water networks rather than to the environment – will allow more sustainable management of our resources and reduce the amount of water taken from rivers and aquifers. In Hampshire, Southern Water are considering ways of direct water reuse – treating water to a high enough standard to be treated for drinking water. This poses its own technical and regulatory challenges.

In Greater Brighton, the proposal is to use water recycling for non-potable water – such as toilet flushing and outdoor use. This will be achieved by creating a secondary supply into new homes for the Northern Arc development in partnership with Homes England.

This will mean the new homes will have an average per capita consumption of around 80 litres – significantly lower than the regional average of around 130 litres, meaning residents will benefit from reduced water bills. As the recycled water is treated to a higher standard than normal, and is recycled through water networks, there will also be significantly reduced nitrates entering the water environment.

Longer-term, we hope the proof-of-concept from the Northern Arc development will mean this approach can become embedded across Greater Brighton through local plans.

Partners

Water recycling needs to work for water companies, developers, local authorities and residents. A broad partnership, bringing local and customer insight together with technical expertise is essential.

Southern Water and Homes England are leading on this project, with support from Mid Sussex District Council. Water Resources South East, the coalition of water companies developing a region-wide water resources management plan, will also be a valuable partner. A range of technical expertise will be sought from bodies including UK Water Industry Research (UKWIR) and Universities.

Due to the innovative nature of this project, there may be regulations which need to be changed – meaning support from Greater Brighton to lobby in support will be useful.

Potential Cost Implications and funding sources

Southern Water will seek to – at least partially – fund the project through an application to Ofwat's Innovation Fund to understand regulatory barriers. This application will be made when there is greater clarity about the application process. Homes England have also agreed to partially fund the pilot programme.

Southern Water will fund the new connections through its regulated funding settlement – including through the usual charging mechanism for new connections.

Timeline and milestones

- Consultation on pilot project with Homes England designed by end of 2020
- Application to Ofwat's innovation fund in late 2020 / early 2021
- Agreement reached with Homes England by summer 2021
- Implementation in Northern Arc from summer 2022

Next steps

- Develop regulator plan and undertake customer insight
- Continue joint-venture discussions with Albion Water as an inset company
- Identify opportunities for other existing large sites to adopt water recycling

Ask for Greater Brighton Economic Board

- Support for concept and Ofwat innovation fund application
- Longer-term consideration of water recycling for all large developments

Benefits and outputs

- UK-first project showing Greater Brighton as a leader in sustainable development
- Customers moving into new homes have cheaper water and wastewater bills
- Increased resilience of water environment
- Reduced nitrates released into the environment
- Southern Water and developer can claim low PCC of around 80 litres
- First project of this size and scale in the UK

Greater Brighton pledges linked to

- Lobbying
- Water recycling
- Water neutrality

National and Local Policy Links

- Future Homes Standard,
- 25 Year Environment Plan
- National Infrastructure Assessment

Existing GB projects linked to

- Water companies' business plans
- Water Resources Management Plans
- Local Plans

Next steps and future action

The next steps for each project are outlined above. The next actions for the WWG, alongside the project leads, will be to develop delivery plans for each of them. It will also work with the innovation group, being developed to support the infrastructure panel, to further develop projects deemed unsuitable to take forward in this plan. Projects include:

- Providing regular information to Greater Brighton residents on water efficiency and water resources to support sustainable reductions in consumption
 - This will require behavioural insight on how best to share information for maximum impact
- Identifying opportunities for Greater Brighton residents to invest in water infrastructure
 - Including understanding how to overcome the limitations the WWG found while developing a community investment bond for water

Water insight group

To ensure Greater Brighton residents are provided water availability information in effective, impactful ways it is necessary to understand their motivations, levels of interest and drivers of engagement with information about water availability.

The WWG will form an insight group to share, and where appropriate, commission evidence and identify possible trials. The group will include the insight and water efficiency leads from both Southern and South East Water and identify key individuals from across the Greater Brighton network to support its work.

It will build on two key pieces of insight work already proposed. The first is joint research, commissioned by Southern Water and South East Water and undertaken by the Behavioural Insight Team and specialist consultancy Accent, examining how to change entrenched customer behaviours around water use. Southern Water have also committed to undertaking an 'insight sprint', to understand what frequencies and formats customers would find water resources information useful, and how this might change their behaviour. Outcomes of this will be shared with the insight group to inform potential trials of regular and real-time information.

Lobbying for policies on water recycling and water and energy efficiency

The WWG will develop proposed lobbying positions for Greater Brighton to adopt to support the 'Lobbying' pledge. These will be agreed by the WWG and Infrastructure Panel, and supported by local and national best practice and evidence.

As of June 2020, the Environment Bill is yet to continue progression through Parliament and will present an opportunity to influence government for more ambitious action on water efficiency. The Future Homes Standard is also still being developed and also presents an opportunity for action on water efficiency.

Greater Brighton Infrastructure Panel

The next steps for the Infrastructure Panel will be to understand how the outputs from both the energy and water plans can best support submissions by Coast to Capital LEP for funding and consider whether a supporting Green Recovery delivery plan is appropriate. This work will begin later in summer 2020.

It will, through the working groups, monitor delivery of the plans and start work to understand which sectors (such as transport or communications) should be examined next.

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
	Email:	Andrew.Hill@brighton-hove.gov.uk	
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 Stirling 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



Greater Brighton Economic Board

Investment Programme Update Report

14th July 2020

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Highlight Summary

PROJECT	DELIVERY PARTNERS	REPORT HIGHLIGHT
Burgess Hill Strategic Growth Programme	Mid Sussex District Council, Homes England, West Sussex CC, Burgess Hill Town Council, Coast to Capital, Department of Transport, and developers	<p>A2300 corridor improvements: Construction began in spring 2020 and is ongoing. The project remains on schedule for completion by March 2021.</p> <p>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.</p>
Plus X - Brighton	Brighton & Hove City Council (Delivery Body), U+I Group Plc (Developer) and University of Brighton	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.
Valley Gardens - Brighton	C2C Local Enterprise Partnership	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.

Adur Civic Centre - Shoreham



Aims & Objectives

Adur District Council have led on the development of a two-phase scheme for the former Council offices in Shoreham. Phase 1 involved the development of a 30,000 sqft (gross) office building which is now complete and let to local business Focus Group following £9.89m of Council investment.

For Phase 2 the Council have identified Hyde Housing as the preferred bidder for the site (Hyde Housing) and are working to finalise contracts. A planning application is anticipated in Spring 2020 for 173 homes (100% affordable in line with Hyde Housing’s strategic partnership with Homes England) and ground floor commercial space.

Key Facts

Delivery Partners: Adur District Council. Willmott Dixon, Hyde Housing Group

Funding (all years)

Total LGF Funding	£1.71m
Total Public Funding	£1.71m
Total Private Funding	£9.89m
Total Other Funding	£0.00m
Total Funding	£11.60m

Outputs

- Phase 1 North Site -30,000sqft of employment space
- Phase 2 South Site – 987sqm of employment space and 173 residential units

What happened in the last period?

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.

Target Milestones (Phase 2)

- Planning Application:** Summer 2020
- Planning Determined:** Autumn 2020
- Start on site:** Spring 2021
- Complete:** By April 2024 (Homes England Deadline)

Burgess Hill Strategic Growth Programme



Artist's impression

Aims & Objectives

The programme will deliver transformative change to the town, secure major growth and significant improvements in housing, jobs, infrastructure, and social and community facilities. To support the programme the following grant funding has been secured:

- £17 million from the Local Growth Fund (LGF) to support A2300 corridor improvements comprising an upgrade to a dual carriageway, junction improvements, and the provision of a footway and cycleway linking to the National Cycle Network.
- £10.9 million LGF funding for a Place and Connectivity package of sustainable transport schemes including improvements to Burgess Hill and Wivelsfield railway stations, public realm improvements, and an inter-urban cycle route between Haywards Heath and Burgess Hill.
- £4 million LGF and a further £6.5 million Housing Infrastructure Fund (HIF) to improve the Goddard's Green Waste Water Treatment works, unlocking land to develop a further 256 homes.
- Up to £2.2 million from the Government's Local Full Fibre Network fund and £2 million LGF and £1.6 million retained business rates to support the implementation of new digital infrastructure for Burgess Hill which in turn will stimulate the market for internet service providers.
- £165k from One Public Estate for design and feasibility studies to redevelop 'The Brow' and land adjacent to Burgess Hill Station.
- £1 million Access for All funding to improve accessibility at Wivelsfield Station.

Key Facts

Delivery Partners: Mid Sussex District Council, Homes England, West Sussex CC, Burgess Hill Town Council, Coast to Capital, Department of Transport, and developers.

Funding (all years)

LGF Funding	£33.9m
Homes England funding	£370.5m
DCMS & other digital funding	£3.8m
OPE Funding	£165k
Access for All	£1.0m
WSCC Funding	£3.34m
MSDC Funding	£3.69m
Total Public Funding	£416.39m
Total Private Investment	£643.3m
Total Funding	£1,059.7m



Following their acquisition of the Northern Arc land parcels, the Council has an approved Infrastructure Delivery Plan (IDP) with Homes England which confirms an investment of £162m in strategic infrastructure.

Outputs

5,000 new homes, a Science and Technology Park (up to 100,000m² employment space), two business parks, 15,000 new jobs (including construction jobs), a major town centre regeneration (offering retail space, commercial leisure space including a cinema and a bowling alley, a hotel as well as new homes), improvements to the A2300 corridor, a package of public realm and sustainable transport schemes, new schools, increased GP capacity, improved leisure facilities, full-fibre digital infrastructure.

What happened in the last period?

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.

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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:

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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.

Target Milestones — Various (project-specific).

Circus Street - Brighton



Proposed scheme

Aims & Objectives

The mix of residential, business, education and cultural occupiers on the site will bring a wide variety of people into the area, benefitting existing local businesses. Economic impact studies indicate that the development will create approximately 232 predominantly local jobs. It will generate £1 million in council tax, new business rates contributions and new homes bonuses. It would encourage student and new resident population spending in and around the site and would boost the local economy by more than £10m each year due to a multiplier effect.

The main office building will be a new centre for innovation and enterprise that will maximise the potential for linking the University's research functions and private organisations that will cohabit in the building. This Innovation Hub will, in turn, create and support fledgling new business in the City and generate opportunities for students, graduates and university staff to work alongside SMEs and larger organisations.

The Dance Space will house South East Dance and provide them with much needed production space, a theatre and public space for community participation. The growing artistic community in Brighton has no dedicated space for dance and it is estimated that 60,000 people will use the space every year. It will become a cultural and community hub, where people gather to collaborate, participate, watch and learn.

Key Facts

Delivery Partners: U+I plc (Cathedral Brighton), Brighton & Hove City Council

Funding (all years)

Total LGF Funding	£2.70m
Total Public Funding	£3.1m
Total Private Funding	£106.57m
Total Other Funding	£0.00m
Total Funding	£109.67m

Outputs

142 new homes; 387 additional jobs and 232 net additional jobs after displacement and substitution; 30,000 sq ft. office building; 450 student accommodation bed spaces; "The Dance Space" (dance studios, offices, public performance space and HQ for South East Dance); start-up workshops, retail units and restaurant; public realm to include a square and landscaped courtyard.

What happened in the last period?

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.

Target Milestones End Date: Early 2021

Decoy Farm - Worthing



Aims & Objectives

An ambitious plan to upgrade an environmentally challenging but sizable plot of allocated employment land that has stood unused for over three decades. The completed project would boost employment opportunities and economic performance in the entire Coast to Capital LEP region.

Key Facts

Delivery Partners: Worthing Borough Council, West Sussex County Council, Private Sector, Coast to Capital LEP

Funding (all years)

Total LGF Funding	£4.84m
Total Public Funding	£9.68m
Total Private Funding	£15m
Total Funding	£25m
Estimated GDV	£20m

Outputs

- Circa 15,000sqm of new employment floorspace in small/medium sized units to support local SMEs to grow.
- Remediation the 7ha ex-landfill site. To improve accessibility through highways improvements to the local road network

What happened in the last period?

Confirmation from LEP that Decoy Farm will continue to be supported. The first claim for Jan – April 2020 exceeded estimate for C2C. LEP have written to BEIS requesting for funding periods to be extended to March 2022.

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

Target Milestones

- **Spring 2020** - Market engagement & procure remediation contractor
- **Summer 2020** - Commence on site remediation works

Digital Catapult Centre – Brighton



Aims & Objectives

To enable businesses to develop and exploit new products and services utilising emerging technologies (AA/VR, 5G, AI, etc), in order to improve productivity, develop better employment prospects and increase GVA in the region. The Digital Catapult Centre Brighton (DCCB) provides opportunities for start-ups and small businesses to connect with university research knowledge, work with large corporations, access innovation expertise and to engage with two core emerging technology platforms - the Immersive Lab and the 5G testbed. The 5G testbed received additional funding and the initial development and engagement activity is taking place at DCCB, hence the project date extension.

Key Facts

Delivery Partners: Wired Sussex & University of Brighton, University of Sussex, BHCC, American Express

Funding (all years)

Total LGF Funding	£0.50m
Total Public Funding	£1.50m
Total Private Funding	£0.50m
Total Other Funding	£0.00m
Total Funding	£2.00m

Outputs

10,000 businesses receiving information about emerging technology opportunities; 1,000 businesses receiving non-financial support; 250 businesses assisted to cooperate with universities and other research institutions; 100 businesses supported to introduce new products or services to the market or the firm; 30 hackathons, boot-camps or pit-stops; and 10 in-depth collaborative R+D projects.

What happened in the last period?

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.

Eastside South - Newhaven



Aims & Objectives

The Newhaven Enterprise Zone (EZ) is a collaboration between Lewes District Council and Coast to Capital LEP that aims to shift the town towards a higher-value economy over the next 25 years. The EZ covers eight key strategic sites (79ha) in a mixture of public and private ownerships, offering a mix of greenfield sites and the opportunity to develop, refurbish and intensify economic activity across a number of brownfield sites formerly used by heavy industry. The focus of the EZ is on growing the emerging 'clean, green and marine' sectors in particular. Over the 25-year lifespan of the EZ, it is estimated that 55,000m² of new commercial floor-space will be created, 15,000m² of existing commercial floor-space will be refurbished. This will create / sustain up to 2,000 FTE jobs.

Key Facts

Delivery Partners: Westcott Leach (landowner) in partnership with Lewes District Council & Coast to Capital LEP.

Funding (all years)

Total LGF Funding	£1.60m
Total Public Funding	£1.60m
Total Private Funding	£6.21m
Total Other Funding	£0.00m
Total Funding	£7.81m

Outputs

7,986m² of new commercial floor-space, together with associated job creation.

What happened in the last period?

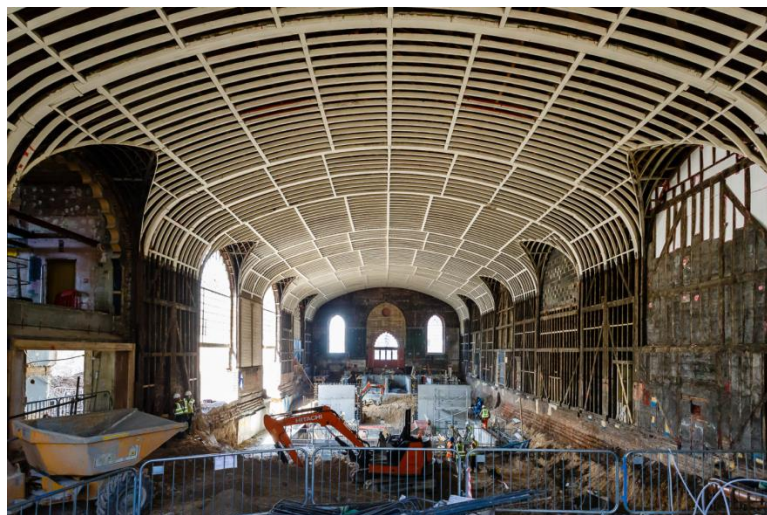
Work on Phase 1 was completed in 2018, with two new occupiers operational by April 2019.

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.

Target Milestones

End Date: Early 2020.

Heritage Centre Stage - Brighton



Aims & Objectives

New Business Model & Commercial Strategy that increases future resilience by improving commercial performance and reducing running costs;

- Enhanced contribution to Brighton's cultural tourism by a strengthened City Centre & Cultural Quarter offer
- Returning the Royal Pavilion Estate to a world class heritage destination & protecting the heritage
- Achieving the long term vision for both organisations
- Evidence-based improved Visitor/ Audience experience, and improved learning, access & participation).

Key Facts

Delivery Partners: Brighton & Hove City Council & Brighton Dome & Brighton Festival

Funding (all years)

Total LGF Funding	£3.00m
Total Public Funding	£17.24m
Total Private Funding	£5.70m
Total Other Funding	£0.00m
Total Funding	£22.95m

Outputs

Employment: created and/or safeguarded - 337

Businesses assisted: financial and non-financial - 624

New floor space constructed/refurbished: learning - 157m² new floor space constructed/refurbished, Commercial - 2,652m²

Carbon reduction of 39.961 tonnes of CO₂.

What happened in the last period?

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.

Target Milestones

End Date: October 2021

New England House - Brighton



Aims & Objectives

Upgrade and expand New England House so that it becomes a credible and highly visible hub for Greater Brighton's creative high-tech businesses.

Key Facts

Delivery Partners: Brighton & Hove City Council

Funding (all years)

Total LGF Funding	n/a
Total Public Funding	11.1 million
Total Private Funding	n/a
Total Other Funding	n/a
Total Funding	n/a

Outputs

Upgrade building, including providing a net additional 7,090m² of new employment floor-space. Following the land deal with Legal & General on the adjacent Longley Industrial Estate, some of this City Deal floorspace output will be provided on the Longley site, with the remainder forming part of a proposed extension to New England House

What happened in the last period?

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.

Target Milestones

End Date: 31/09/2023.

New Monks Farm - Shoreham-By-Sea



Aims & Objectives

The project is to develop a strategic employment and housing growth centre in Shoreham. Its main components are: (a) The provision of a new and improved signalised 6-arm junction on the A27 which will unlock housing and employment space by allowing access to and from the wider area and the specific development sites; (b) The building of 600 new homes and 10,000m² employment floor-space at New Monks Farm

Key Facts

Delivery Partners: New Monks Farm Development Ltd, Highways England, West Sussex County Council (WSCC) and Adur District Council (ADC).

Funding (all years)

Total LGF Funding	£5.70m
Total Public Funding	£5.70m
Total Private Funding	£144m
Total Funding	£150m

Outputs

- A £150 million capital investment;
- The delivery of 600 new homes, 30% of which will be affordable;
- 876 gross new jobs;
- £2.8m in public sector receipts from council tax revenues, new homes bonus and new business rates; and £11.5m additional annual GVA to the Adur economy

What happened in the last period?

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.

Target Milestones

Commence On Site: Spring 2020

Delivery of New Junction to the A27: December 2022

Completion of Development: December 2028

Newhaven Flood Alleviation Scheme



Aims & Objectives

Build physical infrastructure to provide protection from tidal flooding up to a 1 in 200 year event for 431 homes, 390 businesses, rail and road infrastructure and in addition facilitate regeneration and development under the auspices of the Newhaven Enterprise Zone.

Key Facts

Delivery Partners: Environment Agency, Lewes DC, Coast to Capital LEP, South East LEP.

Funding (all years)

Total LGF Funding	£3.00m
Total Public Funding	£17.50m
Total Private Funding	£0.00m
Total Other Funding	£0.00m
Total Funding	£17.50m

Outputs

3km of flood defences on the east and west banks of the River Ouse comprising concrete walls, earth embankments, sheet steel piles, flood gates.

What happened in the last period?

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.

Target Milestones

End Date: December 2020

Plus X - Brighton



Internal image

Aims & Objectives

The 'Plus X' seven storey innovation hub is a U+I Plc concept, a model they have delivered successfully elsewhere. As a key element of the comprehensive mixed-use redevelopment it will provide a unique, high quality workspace model, tailored to the unique needs of Brighton's creative and entrepreneurial businesses, particularly those designing and making physical products. It aims to be somewhere inspiring, functional, sustainable and flexible in its design. It is an innovative provision of shared workspaces and facilities that promote collaboration and facilitate serendipity. The shared spaces range from events spaces to prototyping labs, meeting rooms and cafe/break out spaces, something that will attract both small and larger tenants.

Key Facts

Delivery Partners: Brighton & Hove City Council (Delivery Body), U+I Group Plc (Developer) and University of Brighton (together the partners in the overall mixed-use development across the combined sites).

Funding (all years)

Total LGF Funding	£7.7m
Total Public Funding	£7.7m
Total Private Funding	£12.0m
Total Funding	£19.7m

Outputs

Contractual outputs: 4,645m² of new employment space, 500m² of high specification prototyping labs/workshops, 107 onsite jobs, £5.427m of match funding.

Non-contractual outputs: 300 other jobs, £250,000 follow-on investment, 99 businesses supported.

What happened in the last period?

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.

Target Milestones

End Date: December 2022

Port Access Road - Newhaven



Aims & Objectives

Construction of a new road into Newhaven Port.

Comprising approx. 650m of new road, including a new 3 span bridge over the Newhaven to Seaford railway line and Mill Creek, and associated landscaping/environmental works.

Key Facts

Delivery Partners: East Sussex County Council.

Funding (all years)

Total LGF Funding	£10.00m
Total Public Funding	£23.27m
Total Private Funding	£0.00m
Total Other Funding	£0.00m
Total Funding	£23.27m

Outputs

Construction of the Newhaven Port Access Road from the Pargut roundabout to the Port roundabout, unlocking new employment land at East Quay within Newhaven Port.

What happened in the last period?

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.

Target Milestones

End Date: Mid-2020.

Railway Quay - Newhaven



Aims & Objectives

The Newhaven Enterprise Zone (EZ) is a collaboration between Lewes District Council and Coast to Capital LEP that aims to shift the town towards a higher-value economy over the next 25 years. The EZ covers eight key strategic sites (79ha) in a mixture of public and private ownerships, offering a mix of greenfield sites and the opportunity to develop, refurbish and intensify economic activity across a number of brownfield sites formerly used by heavy industry. The focus of the EZ is on growing the emerging 'clean, green and marine' sectors in particular. Over the 25-year lifespan of the EZ, it is estimated that 55,000m² of new commercial floor-space will be created and 15,000m² of existing commercial floor-space will be refurbished. This will create / sustain up to 2,000 FTE jobs.

Key Facts

Delivery Partners: Lewes District Council.

Funding (all years)

Total LGF Funding	£1.5m
Total Public Funding	TBC
Total Private Funding	TBC
Total Other Funding	TBC
Total Funding	TBC

Outputs

New commercial floor-space, job creation and land remediation. Details currently being finalised.

What happened in the last period?

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.

Target Milestones

End Date: TBC.

Springman House - Lewes



Aims & Objectives

The project involves the formation of new fire and ambulance station facilities. The project will deliver modern new premises for both services.

Key Facts

Delivery Partners: Lewes District Council are the lead delivery body in partnership with East Sussex Fire & Rescue Service (ESFRS), Sussex Police and the South East Coast Ambulance Service.

Funding (all years)

Total LGF Funding	£2.00m
Total Public Funding	£6.34m
Total Private Funding	£0.00m
Total Other Funding	£0.00m
Total Funding	£6.34m

Outputs

By enabling the development of a new blue light facility on the site of Springman House, this project will unlock the £180m North Street Quarter scheme - a major, strategic mixed-use development in Lewes. Relocating the Community Fire Station from its existing premises on North Street, Lewes will enable the delivery of 416 new homes and 13,000m² of commercial floor-space, through the £180 million North Street Quarter (NSQ) regeneration scheme, and enable Lewes’ “blue light” services to be co-located.

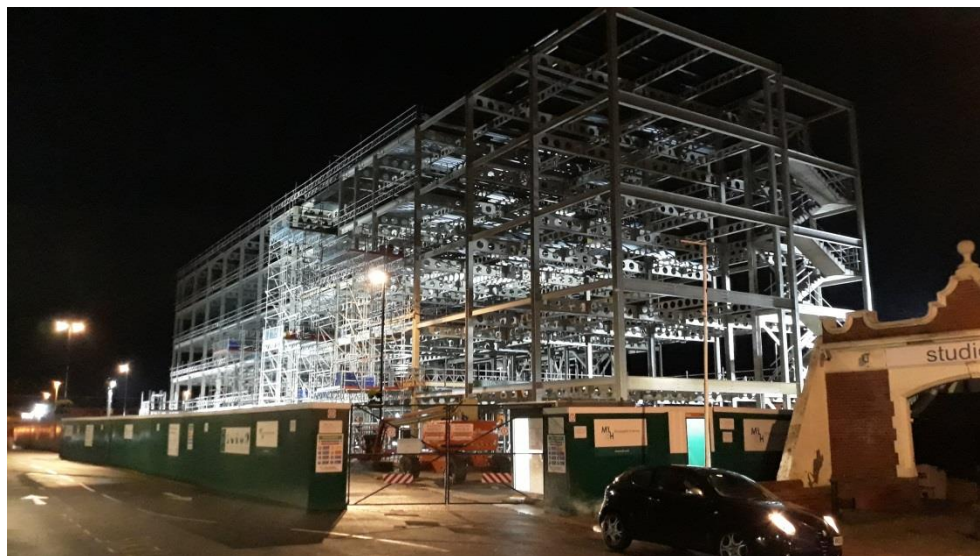
What happened in the last period?

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 ESFRS.

Target Milestones

End Date: Anticipated 2022, subject to Planning.

Teville Gate - Worthing



Teville Gate House Construction 12/12/2019

Aims & Objectives

Teville Gate (TG) forms part of the Worthing Central Programme (Phase 1) to transform key brownfield sites in Worthing town centre. This project will facilitate the redevelopment of the site by undertaking site preparation works, consisting of the demolition of all buildings within the redline and provision of a temporary surface car park. Thereafter the Council will continue to support the freeholders, Mosaic Global Investments (Mosaic) and Hanson Development to develop out the scheme for office, residential and commercial.

Key Facts

Delivery Partners: Worthing Borough Council, Mosaic Global Investments, Coast to Capital LEP, Hanson Developments & HMRC, Homes England

Funding (all years)

Total LGF Funding	£2.09m
Total Public Funding	£2.0m
Total Private Funding	£79m (wider site) £32m (Teville Gate House)
Total Funding	£81.00m

Outputs

(a) 375 new homes (b) 3,410sqm of commercial floor-space (restaurants, cafes and on-site gym) (c) 6,740sqm of retail floor-space (state of the art supermarket) (d) 493 gross jobs (net jobs 314) (e) Modern car parking infrastructure (over 160 spaces for residents and visitor use) (f) New public realm (approx. 4,000sqm, creating an improved public corridor from Worthing station to the town centre). 70,000sqft office building at Teville Gate House for HMRC.

What happened in 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.

Target Milestones

Planning Application by Mosaic Determined: March 2020

Main Site Commencement: Spring/Summer 2020

HMRC Office Building Completed: December 2020

Union Place - Worthing



Aims & Objectives

Union Place (UP) forms part of the Worthing Central Programme (Phase 1) to regenerate key brownfield sites in Worthing town centre. The Council has agreed to enter into a land pooling agreement for the site with partners London and Continental Railways. The partners have prepared a development strategy for the sites which has been approved at JSC. The development strategy could include direct delivery or selling the consented scheme to a developer.

Key Facts

Delivery Partners: Worthing Borough Council (WBC), London & Continental Railways, Coast to Capital LEP.

Funding

Total LGF Funding	£3.60m
Total Public Funding	£5m
Total Private Funding	£31.4m
Total Other Funding	TBC
Estimated GDV	£70m

Outputs

- 186 - New Homes – 35% affordable
- 610m² - Commercial Space
- 90 - Guest room Hotel
- 3 /4 Screen – Cinema
- 1072m² - Flexible Cultural Space
- 246 – Parking spaces

What happened in 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.

Target Milestones

- **Planning application submitted** – 3 March 2020
- **Planning Consent** – Summer 2020
- **Build Out Strategy** – to be agreed following planning consent, likely a mixture of direct delivery and market sale of the planning consent.

Valley Gardens - Brighton



Proposed scheme

Aims & Objectives

Simplification of traffic network, provision of 'public transport corridor' to the west with general traffic on the western corridor. Enhanced public realm, gardens and materials throughout. The scheme aims to contribute to improved air quality, safety, connectivity, improve efficiency and upgrade signals at junctions. Reduce street clutter and provide enhanced greenspace for public enjoyment.

Key Facts

Delivery Partners: C2C Local Enterprise Partnership

Outputs

Match Funding (BHCC) £1.712m, Local Funding £0.414, Total resurfaced roads - 1,588m, Total length of cycle ways - 670m, Area of land experiencing flooding - 63,866m².

Funding (all years)

Total LGF Funding	£8.00m
Total Public Funding	£9.71m
Total Private Funding	£0.41m
Total Other Funding	£0.00m
Total Funding	£10.13m

What happened in the last period?

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.

Target Milestones

End Date: 2020/2021.

Investment Programme Update July 2020

Waterfront - Brighton



Aims & Objectives

Firstly, to deliver a brand new 10,000 seater dual purpose conference and events venue at the vacant Black Rock site on Brighton seafront as part of a two site solution, labelled the "Brighton Waterfront" regeneration project. Secondly, the regeneration of a key strategic central city site to provide a new regional shopping destination for the city, in line with the approved City plan, utilising the newly vacated Brighton Conference centre site on Brighton's seafront. To ensure that the above timescale is met, the council will be proceeding with a package of works to de-risk and prepare the Black Rock site for the new venue which will utilise LEP funds as part of an "Early Works Package", the remainder of funding being allocated towards the construction of the new venue starting in 2021.

Key Facts

Delivery Partners: Brighton and Hove City Council will be leading the Enabling package of works. The remainder of the project will be led in partnership with Standard Life Aberdeen, who are funding the design and development stage.

Funding (all years)

Total LGF Funding	£12.11m
Total Public Funding	£132.71m
Total Private Funding	£0.00m
Total Other Funding	£0.00m
Total Funding	£132.71m

Outputs

Jobs directly connected to intervention - 1,832, Commercial floor space constructed - 27,800m², Safeguarded jobs - 518, Commercial floor space refurbished - 53,383m². All outputs remain estimates as the project design and development stage has not completed at the time of the C2C LEP submission.

What happened in the last period?

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).

Target Milestones

- Pre – application submission – August 2019 COMPLETED
- Planning application submission – October 2019
- Early contractor involvement – on hold
- Planning consent - January 2020
- Commence start on site – March 2020
- Completion – March 2021

Western Harbour Arm – Shoreham-By-Sea



Aims & Objectives

A new flood defence wall and cycle-path to be constructed in Shoreham adjacent to the A259 on Brighton Road where the flood defence is at its most vulnerable point for flooding. ADC purchased a 3.5m strip of land off Sussex Yacht Club through grant funding from Coast 2 Capital LEP. The sale of the land would enable the yacht club to build a new club house and allow the council to demolish the redundant club house where the new flood wall will be located.

Key Facts

Delivery Partners: Adur District Council, Environment Agency, C2C, Sussex Yacht Club, Shoreham Harbour Regeneration Partnership

Funding (all years)

Total LGF Funding:	£3.50m
Total Public Funding:	£4.64m
Total Private Funding	£0.00m
Total Other Funding:	£0.00m
Total Funding:	£4.64m

Outputs

- Flood defence scheme to protect residents and businesses
- Cycle path
- New yacht club for Shoreham.

What happened in the last period?

- 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

Target Milestones

- Fully costed scheme and Report to JSC - 9 July 2020
- New Sussex Yacht Club completed - August 2020
- Flood wall construction commencing - October 2020
- Completion – Spring/Summer 2021

