

## **Environment, Communities and Fire Select Committee**

**4<sup>th</sup> June 2018**

### **Growth Deals**

### **Report by Executive Director Economy, Infrastructure & Environment and Director of Economy, Planning & Place**

#### **Summary**

Growth Deals have been developed with district and borough councils to enable resources to be aligned to support and facilitate the delivery of key and agreed growth priorities.

This report highlights the progress made to date, and the current status of the programmes being delivered through the deals and proposed next steps.

#### **Recommendation(s)**

- (1) The Committee is asked to note progress made to date and the next steps identified in paragraph 2.1.

## **1. Background and Context**

- 1.1 The West Sussex Plan identifies a prosperous place and a Council that works, in partnership, for the community as two of five key priorities.
- 1.2 Growth Deals have been developed with district and borough councils to:
- Ensure that there is clarity around shared growth ambitions – where WSCC and districts / boroughs can most effectively work together to support the delivery of growth outcomes
  - Support and sustain strong partnership working to deliver agreed priorities.
  - Ensure that resources, investments and programmes are aligned to support the delivery of the priorities
  - Transform places and processes
- 1.3 The Growth Deals have evolved from the development of Place Plans.

**Table 1 – Current Status of Growth Deals**

District / Borough	Place Plan	Draft Growth Deal	Signed Growth Deal
Adur & Worthing	✓		✓ (March 2017)
Arun	✓	✓	(Expected May 2018)
Chichester	✓		✓ (March 2018)

Crawley	✓		✓ (Dec 2016)
Horsham	✓	✓	
Mid Sussex			✓ (Feb 2017)

1.4 The Growth Deals have established / built on a number of key principles:

- Delivering growth relies on a number of partners working together – no one organisation can deliver it effectively on their own – e.g. district planning, county highways and education (and other key infrastructure providers), developers and funders working together.
- Delivering growth takes time – the Growth Deals focus on priorities to be progressed over the next 5 years. Outcomes will be delivered over a longer timeframe.
- Being clear on priorities allows effective allocation of resources.
- Having a clear plan enables funding to be secured – e.g. Local Enterprise Partnership (LEP) Local Growth Funds (LGF)
- Progression of a Programme that will deliver clear and agreed outcomes is critical.

1.5 The Growth Deals are being delivered through a series of Growth Programmes. The Deals / Programmes are summarised in Appendix A. Details of each of the Programmes can be found at <https://www.westsussex.gov.uk/about-the-council/how-the-council-works/partnership-work/working-with-district-and-borough-councils-growth-deals/>.

1.6 Delivery of the Growth Deals is identified as a key priority in the emerging West Sussex Economic Growth Plan 2018 – 2023.

1.7 Three Growth Programme Delivery Managers have been appointed and are dedicated to managing the delivery of Growth Deals and Programmes, ensuring project delivery, co-ordination of the Deals and Programmes with wider WSCC and partner priorities and managing relationships with the districts / boroughs in:

- Crawley & Horsham
- Chichester & Mid Sussex
- Arun, Worthing & Adur

1.8 The Growth Programme Delivery Managers report to Growth Boards established with each District / Borough. Project delivery or resource issues will be reported to the Growth Board for resolution.

## 2. Proposal

2.1 The development and delivery of the Growth Deals is progressing. Key next steps include:

- Work progressing to conclude Growth Deals with Arun and Horsham District Councils
- Work progressing to enable the delivery of the priorities identified in the signed Growth Deals.
- Business Cases being developed to enable the growth fund allocation identified in the WSCC capital programme to be allocated to proposals

that will, aligning with partner funding, effectively deliver growth in West Sussex.

- Wider WSCC capital programme funding allocations (e.g. OPE) are aligned where possible to support the delivery of Growth Deal priorities
- Funding opportunities are pursued wherever possible to secure external funding that will, aligning with identified funding, support the delivery of the Growth Deal priorities
- Whilst the Growth Deal priorities are long term commitments, they will be subject to annual review by the appropriate Growth Board.
- Growth Deal governance is reviewed annually through the appropriate Growth Board to ensure that is fit for purpose.
- The Partnership benefits and good practice established through the development and delivery of Growth Deals are used to support wider partnership initiatives
- Capacity is built in terms of staff and revenue resources to enable the progression of Growth Deal priorities – sustaining and delivering the Deals and Programmes.

### **3. Resources**

- 3.1 The County Council initially identified a £30m growth programme allocation in the capital programme to be allocated subject to the approval of business cases.
- 3.2 £8m of the initial growth programme allocation was allocated to the Crawley growth programme following approval of a business case in September 2017.
- 3.3 £5m of the initial growth programme allocation has now been allocated to the Worthing growth programme following approval of a business case in May 2018.
- 3.4 £10m of the initial growth programme allocation is provisionally allocated to the Burgess Hill growth programme subject to the approval of a business case to be progressed later this year.
- 3.5 £7m of the initial growth programme allocation will support pipeline projects subject to the approval of business cases to be progressed later this year.
- 3.6 A number of additional Capital Programme allocations support the delivery of the Growth Deal priorities. These and the above funds are detailed in the following table:

<b>Pipeline</b>	<b>18/19</b>	<b>19/20</b>	<b>20/21</b>	<b>21/22</b>	<b>22/23</b>	<b>Total</b>
<b>Economy</b>						
Crawley Growth Programme		6,056	1,835			<b>7,891</b>
Growth Programme	0	1,000	3,000	4,000	14,000	<b>22,000</b>
<b>Finance and Resources</b>						
One Public Estate	500	2,500	9,000	18,000	20,000	<b>50,000</b>
<b>Highways and Infrastructure</b>						
A2300 Corridor capacity enhancement, Burgess Hill		0	3,110	10,260	9,210	<b>22,580</b>
<b>Income Generating Initiatives &amp; Bold Ideas</b>						
<b>Highways and Infrastructure</b>						
County Gigabit	2,700	3,000	3,000	0	0	<b>8,700</b>

- 3.7 Revenue resources allocated in the WSCC Strategic Economic Plan Reserve have supported the development of projects to date. It is anticipated that the remaining earmarked but uncommitted funds in the SEP Reserve will continue to support feasibility work required to progress projects. Once projects have been identified in the Capital Programme, following approval of a business case, development costs will be drawn from the capital allocation. Currently £557,000 is uncommitted within the SEP reserve.

## **Factors taken into account**

### **4. Issues for consideration by the Select Committee**

- 4.1 The Growth Deals have been developed in partnership with Districts and Boroughs having considered key and relevant evidence. The Deals establish joint priorities to be progressed over a five year period.
- 4.2 The Committee is asked to support the proposals identified in paragraph 2.1 above.

### **5. Consultation**

- 5.1 The Growth Deals and Programmes have been developed in consultation with partners.

### **6. Risk Management Implications**

- 6.1 There is a risk that revenue and WSCC staff resources are insufficient to support the progression of the projects. This risk is minimised through the appointment of the Growth Programme Delivery Managers. Revenue funding sources, such as the pooled business rates, will be examined to establish scope to supplement existing resources to deliver these large and complex Deals / programmes.
- 6.2 There is a risk that priorities change due to political or staff changes. This risk is minimised through the joint identification of priorities with district /

borough officers and members and the signing of the Deals by the Leaders and Chief Executives of each authority.

## **7. Other Options Considered**

- 7.1 Through the development of the Place Plans and Growth Deals a number of options have been considered. The Deals and Programmes identify jointly agreed priorities where intervention is likely to be most beneficial to deliver growth.

## **8. Equality Duty**

- 8.1 The Equality Duty does not apply as this is a report dealing with internal or procedural matters only. Equality issues will be considered as each project within the Growth Deals is progressed.

## **9. Social Value**

- 9.1 Social Value will be considered within business cases as each Growth Deal project progresses.

## **10. Crime and Disorder Implications**

- 10.1 None

## **11. Human Rights Implications**

- 11.1 None

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## **Appendices:**

### **Appendix A - Growth Deal Summary**

#### **Background Papers**

**District Deals** - <https://www.westsussex.gov.uk/about-the-council/how-the-council-works/partnership-work/working-with-district-and-borough-councils-growth-deals/>

## Appendix A – Growth Deal Summary

### ADUR & WORTHING DEAL

#### Key Projects -

- Worthing Town Centre – public realm improvements and development of key sites to deliver the Worthing Investment Prospectus
- Delivering growth at Decoy Farm, East Worthing
- Delivering growth at New Monks Farm and Shoreham Airport in Lancing and Shoreham
- Delivering growth at Shoreham Harbour with a focus on the Western Harbour Arm
- Making use of our public estate to pursue joint development opportunities - Centenary House, Worthing and Pond Road, Shoreham
- Gigabit West Sussex Fibre Broadband

**Key Outcomes** – 2,500 homes; 6,600 jobs; 115,000sqm of commercial space

**Key Funding Partners / Sources** – LGF, WSCC, WBC, ADC, S106, CIL, Developers

Secured Funding	
WSCC Growth Programme	£5.000m
Local Growth Fund (LGF)	£25,746m
Housing Infrastructure Fund (HIF)	£10.000m

#### Governance Arrangements –

- Growth Board - quarterly meetings. WSCC Cabinet Member – Cllr Lanzer. WBC Leader Cllr Humphries. ADC Leader Cllr Parkin. Senior Officers – Martin Randall & Nick Smales

### CHICHESTER GROWTH DEAL

#### Key Projects -

- Chichester City Vision – priority interventions that, through WSCC and CDC working together, can enable key projects identified in the Vision (2017) to progress
- Southern Gateway – enhance this key gateway to the City and deliver a mixed use development that includes office, retail, residential and leisure uses.
- Northern Gateway – enhance this key gateway to the City and deliver a mixed use development that includes office, retail, residential and leisure uses.
- Gigabit - ambitious proposals to improve digital connectivity in Chichester

**Key Outcomes** - value of development maximised; new jobs created; existing jobs protected; new homes; business / retail floorspace created; return on capital investment secured; a sense of place created including improvements to the public realm, the transport system and the appearance of buildings in the area.

**Key Funding Partners / Sources** – LGF, WSCC, CDC, S106, CIL, Developers

<b>Secured Funding</b>	
LGF	£5.000m

**Governance Arrangements** –

- Growth Board - quarterly meetings. WSCC Cabinet Member representative : Cllr Montyn (other WSCC reps to be confirmed). CDC Leader Cllr Dignum. Other CDC reps – Cllr Oakley. Senior Officers – Diane Shepherd & Nick Smales.

**CRAWLEY DEAL / PROGRAMME****Key Projects** -

- Crawley Town Centre – developing a dynamic business growth hub with a bold and vibrant community heart for Crawley and the Gatwick Diamond, where a rich mix of uses and high quality town centre living contribute to a diverse retail offer, excellent public realm and a thriving economy. Includes Queens Square, Queensway, Station Gateway, Eastern Gateway.
- The Manor Royal Improvement Programme – to support Manor Royal to continue to provide a diverse range of jobs for local people.
- The Crawley Employment and Skills Plan – Joint working to unlock delivery of proposals that will enable local residents to access higher skills levels and better quality employment opportunities
- Working with Gatwick Airport - to develop the strategic advantage of the Airport
- Three Bridges Station - redevelop the forecourt areas and associated access

**Key Outcomes** – up to 2,000 homes in the town centre and 135,000sqm of enhanced commercial space across Manor Royal and the Town Centre

**Key Funding Partners / Sources** – LGF, WSCC, CBC, HIF, S106, CIL, Metrobus, Manor Royal BID, Gatwick Airport Limited, Developers

<b>Secured Funding</b>	
WSCC Growth Programme	£9.704m
CBC	£5.400m
Local Growth Fund (LGF)	£32.727m
Housing Infrastructure Fund (HIF)	£2.000m
S106	£2.640m
CIL	£1.000m
Metrobus	£13.792m
Gatwick Airport Limited	£2.800m
Manor Royal BID	£3.039m
Developers	£4.500m

**Governance Arrangements** –

- Members – monthly updates. WSCC Cabinet Member – Cllr Hillier. CBC Portfolio Holder Cllr Smith.
- Growth Board – Monthly meetings. Senior Officers : Natalie Brahma-Pearl & Lee Harris

- Growth Programme Delivery Team – Senior Officers : Clem Smith & Duncan Barratt

## **MID SUSSEX - BURGESS HILL DEAL**

### **Key Projects -**

- Town Centre regeneration – new homes, jobs, retail space, multiplex cinema, library.
- The Brow – one public estate project to better utilise public sector land delivering new homes, improved public facilities and reduced costs
- Northern Arc – development of up to 3,500 homes and 50,000sqm of commercial space. Includes key infrastructure – secondary school, two primary schools, highways and transport.
- Science & Technology Park – 100,000sqm of employment space and 4,000 new jobs
- A2300 enhancements – dualling between the A23 and Burgess Hill
- Sustainable Transport Package – improvements to support growth across Burgess Hill

**Key Outcomes** – 3,500 homes; over 4,000 jobs; 150,000sqm of commercial space; key new infrastructure.

**Key Funding Partners / Sources** – LGF, WSCC, MSDC, HIF, S106, Developers, Homes England

<b>Secured Funding</b>	
WSCC Growth Programme	£10.000m
WSCC – A2300	£2.790m
Local Growth Fund (LGF)	£31.900m
Housing Infrastructure Fund (HIF)	£6.500m

### **Governance Arrangements –**

- Growth Board Members meetings every 6 months. WSCC Cabinet Member – Cllr Goldsmith. MSDC Leader Cllr Wall.
- Senior Officer meetings monthly – Kathryn Hall & Lee Harris

Arun District Deal – Deal not yet completed. Update to be provided at the meeting.

Horsham District Deal – Deal not yet signed. Update to be provided at the meeting.