

Coast to Capital

Meeting: Coast to Capital Board Meeting
Date: Thursday 17 October 2019
Report Title: Brighton Valley Gardens Phase 3
Report by: Investments Team
Item: 5 a)
Part: B (Confidential)

Recommendations:

The Investment Committee recommends that the Board should note the significant scrutiny it has given to the dossier, and:

1. Approve and confirm that the conditions precedent, previously set by the Investment Committee (para 2 below) have been met by the delivery body.
2. Agree that a funding agreement be entered into with BHCC for the award of £6m of LGF for the Valley Gardens Phase 3 project and in doing so agree a departure from the published Transport Assurance Framework to fund a low value for money scheme.
3. Delegate to the Chief Executive the drawing up and execution of a standard project funding agreement, with him having authority to amend/include any necessary terms he considers reasonable, subject to the approval of the final form of agreement by the Accountable Body.

Further recommendation following letter from DfT:

4. In line with the letter from DfT (**annex 10**) it is recommended that the following additional conditions are included within the funding agreement:
 - Monthly reporting of project progress.
 - A full post project evaluation report to be concluded within 6 months of scheme completion.

1. Background

The Investment Committee considered the issues relating to this project at length at its meeting on 13 September 2019. The meeting was chaired by Julie Kapsalis and attended by Colin Kemp, Amanda Jones, Mike La Rooy, Karen Dukes and Jonathan Sharrock. The discussion allowed for full consideration of the issues, in line with the Assurance Framework and has led to clear recommendations to the Board.

Brighton Valley Gardens phase 3 project has a Local Growth Funding allocation of £6million earmarked since the original Growth Deal. Coast to Capital have already awarded £8million of LGF towards the Valley Gardens Phase 1&2 project which is currently delivering on site.

As outlined in the scheme's Business Case, Valley Gardens Phase 3 will cover the southern section of Valley Gardens, to incorporate the Old Steine and the A23/259 junction/Brighton Palace Pier roundabout ("pier roundabout"). Also outlined in the business case, this scheme will adjoin some of the city's key historic landmarks including the Royal Pavilion and Brighton Palace Pier. The scheme is described as helping to create a central hub of city-life in Brighton through the creation of new public and event spaces, and also providing efficient, connectivity for vehicles, pedestrians and cyclists to move around the city more effectively. This will be through a new 350 metre two way segregated cycle track, improved crossing alignment for pedestrians, and a simpler road layout.

Brighton & Hove City Council (BHCC) believe that LGF funding is crucial for this scheme to ensure Brighton & Hove is not left with ongoing congestion and poor public realm in a key location on its world-famous seafront, and to make sure the benefits of phases 1 & 2 are not undermined.

The Board scrutinised the Phase 3 project at its meeting on 22nd January 2019. The business case was discussed and the project supported in principle, together with the Local Growth Funding award of £6million, subject to requirement of suitable pre-conditions, with delegation being given to the Investment Committee to formulate these. At its meeting on 13th September 2019, the Investment Committee were referred to the papers previously provided to the Board and these can be found in **Annex 4**.

The Investment Committee formulated the pre-conditions, following a conference call meeting on 31st January 2019. The pre-conditions are set out at 2.0 below (see also **Annex 1**).

2. Brighton Valley Gardens Phase 3 funding conditions

- 1. Prior to issue of funding agreement:** Confirmation is received in writing from the Monitoring officer at Brighton and Hove City Council (BHCC) that all statutory requirements in relation to consultation have been met, in relation to all project aspects, to include but not be limited to, transport and public realm improvements.
- 2. Prior to issue of funding agreement:** Confirmation in writing from the Monitoring officer that public comments, including those of the Valley Gardens Forum have been appropriately considered, responded to and addressed in accordance with the Council's statutory duties.

3. **Prior to issue of, and within funding agreement:** Confirmation in writing from the Monitoring officer that the scheme design meets the requirements of all relevant statutory legislation, including but not limited to air quality standards, traffic management, environmental and safety. To also seek confirmation that the Council considers that the appropriate balance has been achieved between impact upon traffic congestion, air quality and sustainable transport and public realm benefits.
4. **Prior to issue of and within the funding agreement:** Confirmation in writing from the monitoring officer that an appropriate level of engagement will continue with the Valley Gardens Forum and members of the public, as the scheme evolves, including confirmation that the concerns of the Valley Gardens Forum will be put to the relevant Council Committee before the scheme is approved.
5. **Prior to issue of funding agreement:** Confirmation that the relevant Council Committee has approved the scheme, to allow the project to be delivered.

The response letter to these conditions, from the Monitoring Officer at BHCC, can be found at **Annex 1**, which confirms the fulfilment of the above conditions.

Following receipt of the letter from the Monitoring Officer at BHCC, advice from external solicitors, Browne Jacobson was sought. Browne Jacobson considered that subject to a small number of clarificatory points the BHCC letter satisfactorily confirmed the conditions precedent had been met. The further clarification points were raised with BHCC and have now also been responded to (see **Annex 2**). The Investment Committee agreed that the conditions precedent had been satisfactorily met.

3. Scheme Appraisal

The Valley Gardens Phase 3 scheme has been appraised by external transportation consultants; TisL under a standard evaluation methodology including the following areas (see **Annex 3**):

1. Strategic fit with Coast to Capital Strategic Economic Plan.
2. Requirement for public funding.
3. Good value for money.
4. Benefits being delivered to Brighton.

In addition, BHCC commissioned Mott McDonald to undertake an economic impact appraisal of the scheme and this is detailed within **Annex 4**.

In September 2017 Coast to Capital also commissioned Local Partnerships to undertake a review on numerous transport projects, Brighton Valley Garden Phase 3

being one of them. At the time, they rated the project amber and believed it would be delivered by March 2021.

Annex 4 lists all of the key documents including the Business Case, relating to the scheme. **Annex 4** also includes representations made by the Valley Gardens Forum which were also previously considered.

Since then, a representation asserting that the conditions precedent have not been met has been made by the Valley Gardens Forum, see **Annex 5**.

The decision for approving the Project ultimately rests with the Board and the decision making and evaluation processes have been carried out in accordance with the general governance framework set out in part 3 of the Coast to Capital Assurance Framework.

The process for reviewing the scheme has been undertaken in accordance with Annexes' O and P of Coast to Capital's Assurance Framework.

In accordance with Annex O of the Coast to Capital Assurance Framework in relation to the Transport Assessment it should be noted that:

- The Business case has been prepared and has previously been publicised for comment. Comments have been received and are annexed to this report. The business case was reviewed against the requirements of the DfT Business Case guidance and assessed in accordance with standard methodology by independent consultants TisL. TisL have confirmed that the business case is fit for purpose.
- Highways England have been made aware of the scheme.
- As previously reported and set out in the business case, 23.5% of the funding of the scheme is being met by the applicant.
- A Value for Money assessment has been provided and reviewed by TisL. This assessment provides that the chosen option is the best value of the given options, it represents *Low Value for Money* in the DfT's value for money category. Board Members' attention is drawn to the final paragraph of section 7.0 which provides that:

"Only schemes that offer 'high' or 'very high' value for money as assessed using DfT guidance will be recommended for funding support."

Both BHCC advisers and the TisL report, note that the scheme is likely to deliver wider benefits which have not been monetised for the business case. The TisL report finds that the project will provide economic benefits with relatively low risks. It also states that the scheme should be viewed as a whole and that the Phase 3 element is critical to allow the benefits of Phases 1 & 2 to be realised and thus recommends that the requested LEP funding is approved for the

Phase 3 project. The Investment Committee also agreed with this recommendation and DFT have confirmed that authority rests with the Board (**Annex 10**) to agree a departure from the published Transport Assurance Framework, under exceptional circumstances, to approve schemes of low value for money. The case for the existence of 'exceptional circumstances' is set out at **Annex 9**. Board members must be content that the recommendations made by the experts justify awarding funding for this scheme notwithstanding this paragraph in the Assurance Framework. The Investment Committee recommend the project for approval to the Board on the basis of the expert advice provided within the transport assessment in relation to value for money aspects and the other evidence presented to them. An appropriate funding agreement will be drawn up to meet the funding drawdown and monitoring requirements if the project is approved for funding.

4. Legal representations from Valley Gardens Forum

The Valley Gardens Forum instructed DMH Stallard and latterly asb Law to write to Coast to Capital regarding the Brighton Valley Gardens Phase 3 project funding conditions. All letters are included at **Annex 6**, together with Coast to Capital's replies and asb Law's further response.

Browne Jacobson solicitors have been commissioned by Coast to Capital to provide an opinion on the BHCC monitoring officer's letter, in relation to whether it adequately addresses the conditions precedent as detailed under 2.0 above. Their view is that, subject to some points of clarification (which have now been obtained) the response from the BHCC's Monitoring Officer adequately confirms that the conditions set have been met. The letter from Browne Jacobson is provided as 'confidential and legally privileged' to Board members (**Annex 2a**). Each condition related to the giving of an undertaking by the BHCC monitoring officer, who is the Council's statutory legal advisor.

5. Conclusion

This report contains information for the Board to consider, including further independent analysis with further representations by the Valley Gardens Forum.

The Board has previously decided to support the Valley Gardens Phase 3 project subject to agreeing pre-conditions and those being met. The legal advice received is that, those pre-conditions that have been currently set by the Investment Committee can reasonably be accepted as met. The clarification suggested by the legal advisor has also been obtained satisfactorily.

It is not Coast to Capital's role to interfere with, or challenge the conduct and / or process compliance of BHCC. Nor is it the LEP's role to take sides in any dispute through withholding funding. However, it is the LEP's role to make its decisions properly and as part of that recognise any concerns expressed by any party and to ask appropriate questions of the applicant (BHCC), seeking necessary assurances from the appropriate person with a statutory duty. The LEP has indeed sought these

assurances and in this regard it must rely upon these from the legally accountable officer (monitoring officer) at BHCC, who is a practising solicitor. Should the monitoring officer's view change at any point, the standard project funding agreement will oblige the delivery body to notify the LEP and allow funding recovery action.

However, substantial concerns continue to be raised by the Valley Gardens Forum, and some members of the public. In addition it is reported that a local Councillor has referred the decision by BHCC to agree the current scheme to the Council's Audit Committee for examination.

A recent letter of commitment has been received from Cllr Anne Pissaridou – Chair of Environment, Transport and Sustainability Committee (BHCC), that the scheme is still fully supported by the Council. This letter can be found at [Annex 7a](#), together with a range of other letters of support.

The Valley Gardens Forum and other parties has recently sent emails / letters to the LEP, setting out their current position, calling for withdrawal of LEP funding, pending re-design of the project. These are attached at [Annex 7b](#). In light of the concerns from the Valley Gardens Forum relating to the scheme, the Board is invited to consider the project business case in context to these and also the public comments included within the information pack. These should be balanced against the letters of support received detailed in [Annex 7a](#).

The LEP respects the absolute right of any member of the public or body, to challenge such scheme design issues. However, the appropriate route to address many of the concerns relating to the various statutory planning, consultation and procedural handling issues relating to scheme design is to the controlling authority i.e. BHCC, through their statutory decision and planning processes. Further, if having followed these processes the complainant is still not satisfied with the outcome, they may seek leave for a judicial review of process compliance and / or complain to the Local Government Ombudsman. In this regard it should be noted that the Valley Gardens Forum have issued a letter before action to BHCC, serving notice of a potential judicial review claim (See [Annex 6](#)). Following this letter we understand that BHCC took part in an alternative dispute resolution (ADR) process with the Valley Gardens Forum under mediation. Coast to Capital has now received notification from BHCC that the ADR process has concluded. Simultaneously the Valley Gardens Forum informed the LEP that they still have outstanding concerns. Both items of correspondence are included in [Annex 8](#). The Board should note that there remains considerable disagreement between the Valley Gardens Forum and BHCC.

The Board is invited to again consider its support for the scheme and recommendations made in paragraph 1 above.

6. Diversity Statement

There are no diversity implications for consideration.

7. Legal Statement

Approval of the funding for this Project must be carried out in accordance with the general decision making processes of the Assurance Framework and in particular Annexes O and P. The report confirms that those processes have been followed. The Board should note however that a recommendation to fund the scheme would be contrary to paragraph 7.0 of Annex O and ultimately the Board will need to be content that it is appropriate and reasonable to deviate from this position based on the evidence presented to it. As noted in the report governance changes are reserved to the Board and so it will be for the Board to specifically approve this deviation alongside approval of the overall funding following recommendations from this Committee.

Annexes:

- Annex 1 – Letters from Coast to Capital and Monitoring Officer at BHCC.
- Annex 2 – Clarification email from the LEP dated 18th April and response from the City Council dated 1st May 2019.
- Annex 3 – TisL appraisal of the scheme and letter.
- Annex 4 – Scheme business case, Mott McDonald report, BHCC Board presentation, LEP original public representations incl. from Valley Garden's Forum.
- Annex 5 – Representation from Valley Gardens Forum to Coast to Capital Board. BHCC response to letter from VGF to Coast to Capital.
- Annex 6 – Letter from DMH Stallard, Letter from asb Law and responses from Coast to Capital, including further response from asb Law, letter sent to BHCC from DMH Stallard regarding the Judicial Review.
- Annex 7a – Letters of support
- Annex 7b – Latest communications from Valley Gardens Forum and other letters against the scheme.
- Annex 8 – ADR correspondence from BHCC and Valley Gardens Forum.
- Annex 9 – Case for exceptional circumstances from TisL.
- Annex 10 – Response from DfT confirming that the powers sit with the Board regarding deviating away from the Assurance Framework.

Additional information folder included as part of pack.

For agenda item 5a (Brighton Valley Gardens Phase 3) the Valley Gardens Phase 3 Business Case can be found on our website. Annexes 1, 2, 3, 4, 5, 6 and 8 (correspondence from before the Investment Committee meeting) can be found on our website. Annexes 7a, 7b, 9 and 10 (correspondence from after the Investment Committee meeting) are included in the paper below.



Leader's Office
Hove Town Hall
Norton Road
Hove
BN3 3BQ

Date: 12th September 2019

Phone:

e-mail:

Dear Jonathan

VALLEY GARDENS PHASE 3

I am writing in my capacity as Labour Councillor and Chair of the Licensing Committee at Brighton & Hove City Council, with regards to the Valley Gardens Phase 3 project.

As you will be aware, the Valley Gardens Phase 3 project has the full backing of the Labour administration and has received majority cross-party support at the council's Environment, Transport and Sustainability Committee at various stages.

In August, I was co-signatory to a cross-party statement which relayed the concerns of the Valley Gardens Forum, including representatives from the city's taxi service. While it is important that the views of community members are heard and that taxi drivers are consulted, I believe that many of the concerns they have raised will be addressed as the project proceeds to detailed design. I remain in full support of the overall Valley Gardens project, including Phase 3.

The attached letter has been published today in local newspaper The Argus so that my views are in the public domain.

Yours sincerely,

Councillor Jacqueline O'Quinn
Chair of Licensing
Goldsmid Ward Councillor

Letter: My support for the Valley Gardens project was never in doubt

Last month, I signed a cross-party statement relating to the Valley Gardens Phase 3 project. It was a statement agreed in good faith following a meeting with community members where a number of concerns about the preliminary design for the project were raised.

However, what the statement did not say is that overall, I am very supportive of the Valley Gardens scheme, which will bring a much improved sustainable transport network and more green space to the heart of our city; as well as improving road safety, at what has recently been reported as one of the most dangerous roundabouts in the country.

I have been impressed with the works to date on Phases 1 & 2 of the project where new cycle lanes and improved footpaths have now appeared and which, on completion, will offer a new park for residents and visitors to enjoy. Phase 3 is vital to realising the full potential of the area; ensuring continuous sustainable transport links, a simplified road layout and more open, public space in the Old Steine area.

While the concerns of community members need to be heard, the opportunity to address many of the issues raised will come when the project progresses to the detailed design stage. We cannot reach this stage without certainty about the funding for the project, which will be determined by the Local Enterprise Partnership (LEP). In January, the LEP provisionally agreed £6million of funding for Phase 3, this is vital investment in our city at a time when the council is having to do more with less to meet the urgent environmental challenges of the day.

Once the Funding Agreement for the project has been finalised, we can then proceed to detailed design when feedback from all stakeholders will be taken on board to produce a final design for the area. A cross-party Task and Finish Group will oversee the process and I am confident that this will offer an opportunity to address many of the unresolved concerns about the project. Notwithstanding this important engagement process, there will need to be compromise in order to deliver the overall prize of securing the right sustainable transport solution that secures carbon neutrality and significant improvements in air quality by 2030.

Councillor Jackie O'Quinn, Labour Councillor for Goldsmid Ward and Chair of the Licensing Committee.

Dear Jonathan,

I am writing to you in my capacity as Convenor of the Green Group and Leader of the Opposition at Brighton & Hove City Council regarding the Valley Gardens Phase 3 project. Ahead of the LEP's Investment Committee board, I want to make explicit my support for the project.

As a growing city with increasing visitor numbers, we need to prioritise journeys by foot, by bike and by public transport to encourage broader modal shift. This also makes better use of limited space, protects our city's heritage and beauty and improves health and wellbeing outcomes for our residents. The scheme itself sees a significant investment being drawn into the city. These and the associated economic benefits have been the principles which have driven the Valley Gardens scheme.

We have always understood this project as a way to deliver a much-needed 'green lung' for the city – a development which will transform the city centre and the key route to the seafront. As you will be aware, Valley Gardens was also progressed under the Green administration, so we are keen to see this project finished. We note that works on Phases 1 and 2 are well underway; in total, all three elements will deliver a scheme that will make the city more attractive, accessible and effective, both as a park and as a transport corridor. However, the full benefits of the scheme will only be realised when Phase 3 is delivered.

Phase 3 also includes plans to address safety problems at the Palace Pier roundabout. Just last week the Department of Transport released figures showing that this roundabout ranks among the top 20 most dangerous in the U.K. The council's own analysis of data over a five year period has also shown that this area is particularly dangerous for cyclists; in a city where 38% of people don't own a car, it is important that we make the roads safer for cyclists and ensure there are adequate safe crossings for pedestrians. In our view, plans to replace this accident blackspot with a more pedestrian and cyclist friendly traffic light-controlled junction should be welcomed.

While Greens have expressed some concern over the consultation process underpinning this project, we have repeatedly voted in support of all stages of the VG project at meetings of council committees. **We have also proposed amendments which we feel improve the design for the benefit of the scheme's users.** As a result we would be concerned to learn of any delay to the project's completion. We are grateful to the LEP for their support and engagement in the project to date, and remain confident that issues raised during the consultation can be addressed as the project proceeds to detailed design.

Yours sincerely,

Councillor Phélim Mac Cafferty
Leader of the Official Opposition
Green Party Councillor for Brunswick and Adelaide, Brighton and Hove City Council



**Brighton & Hove
City Council**

Leader's Office
Hove Town Hall
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Hove
BN3 3BQ

Jonathan Sharrock
Chief Executive
Coast to Capital
Pacific House,
Hazelwick Avenue,
Three Bridges,
Crawley,
RH10 1EX

Date: 30th August 2019
Phone:
e-mail:

Dear Jonathan

VALLEY GARDENS PHASE 3

I am writing to you on behalf of the city council, with the full support of the Leader of the Council, to provide you with a statement on Phase 3 of the Valley Gardens project so that you can share it with members of your Investment Committee when they consider the project at their next meeting.

As you, your officers and LEP members will no doubt be aware, an extensive amount of work has taken place in partnership with the LEP on the entire Valley Gardens project since 2013, when it was first considered for funding by the LEP's Local Transport Body, and subsequently included in the 2014 Strategic Economic Plan. The project was broken down into phases at the request of the LEP to make it more deliverable, a point that was recognised by the Government when it announced the LEP's Growth Deal and provisionally allocated the £6 million worth of LGF to Phase 3, subject to a robust Business Case. That Business Case was considered and approved by your Board earlier this year when it allocated the funding, subject to the completion of the Funding Agreement which we now await.

The historic Old Steine area of Brighton was once a place where residents and visitors would flock to, famous for its promenade, open green space and the ornate Victoria Fountain, all of which made it a pleasant place to spend time in. Over the years, well-intentioned changes to roads and traffic management, including provision to prioritise movement by public and sustainable transport, especially buses, taxis and cycling, have delivered some significant improvements but not enough to overcome some of the barriers that have isolated the green spaces and made them harder for people to access because of traffic. Residents, businesses and other users of the corridor have therefore unfortunately experienced congestion and an increase in road traffic collisions and the effects of air pollution over time. The area has therefore failed to fulfil its potential as a prime city centre locations and the three phases of the Valley Gardens project are designed to address these issues.



**Brighton & Hove
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Overall, all three phases of the finished Valley Gardens scheme will bring two key outcomes. Firstly, it will form a vital part of our move to become a carbon-neutral city by 2030 through significant investment in a sustainable transport network that supports walking, cycling, and public transport. The LGF allocations are therefore critical as without them, this outcome will not be achieved. Secondly, it will give public space back to the local community, allowing the city's residents and visitors the opportunity to enjoy safe, accessible and more attractive green spaces once more, and adding to its regeneration.

Phases 1 & 2 of the Valley Gardens scheme are now well underway, with significant changes made to improve the road layout from St Peter's Church to Edward Street. They introduce new paths for cycling and walking, as well as provide a designated corridor for buses and taxis. Works to create a new central park will soon follow, including the planting of over 150 new trees, which will improve the environment and air quality.

Phase 3 of the Valley Gardens scheme is a continuation of Phases 1 & 2 and it is vital to achieving the overall aims and benefits for the area. Phase 3 will complete sustainable transport links, including walking and cycling paths, public transport priority, and new open green spaces through the city centre and down to the seafront. Furthermore, the approved Phase 3 design will significantly mitigate the high number of collisions and casualties in this area, many of which involve vulnerable road users such as pedestrians and cyclists. These are forms of transport that we want to increase the use of to improve people's health and the environment.

The level of local interest in Phase 3 has also meant that the project has been thoroughly scrutinised at every stage of the council's transparent and robust decision-making processes by councillors and members of the public and other organisations during public committee meetings, such as the Environment, Transport and Sustainability [ETS] Committee which I now chair. These processes are continuing as the council seeks to ensure that the information and processes associated with the project are appropriate and proportional to the decisions being made at each stage regarding its development and delivery.

Public consultation and engagement has played a key role in developing the project's design so far. This will continue. A two-stage consultation was carried out in 2018 and the feedback gathered was reported back to committee. In February 2019, following the second stage of public consultation, the outline plan was significantly revised and approval was then given by committee to proceed to detailed design. Since then we have continued to work and liaise with representatives of the local community to consider and seek to address the concerns they have raised about aspects of the proposed design. We remain committed to meaningful engagement with community groups, including the Valley Gardens Forum, as well as transport partners, businesses and other key stakeholders as we develop the approved design. Matters include concerns about environmental impacts such as air quality and noise; the design of new public spaces; traffic movement and management, including parking and loading; and the facilities for pedestrians, cyclists and bus passengers.



Leader's Office
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While we are alive to the issues raised by stakeholders and communities and are keen to work with them to resolve them, the next essential stage of the project cannot fully progress until the Funding Agreement for Phase 3 is signed. We therefore look forward to Valley Gardens Phase 3 being on the agenda of your Investment Committee's next meeting and receiving clarity about your support for it. A positive outcome will provide greater certainty, in advance of your Board's final decision, and move us closer to the successful delivery of the scheme in the near future and the realisation of the combined benefits that will be achieved through the vital and exciting work that is already well underway with Phases 1 & 2.

Yours sincerely

Councillor Anne Pissaridou
Chair of Environment, Transport and Sustainability Committee

Lloyd RUSSELL-MOYLE MP
For Brighton Kemptown and Peacehaven

Policy and parliamentary appointments



HOUSE OF COMMONS

LONDON SW1A 0AA



Mark Prior
Assistant Director - City Transport
Brighton & Hove City Council
Norton Rd
Hove
BN3 3BR

Our Ref: LR19279

12 September 2019

Re: Valley Gardens 3 letter of support for funding

Dear Mark and to whom it concerns,

I appreciate that you have written to me today following the meeting that I had with yourselves and other officers and the ongoing conversations with councillors, traders and local residents. I am now in a position to support the next tranche of funding for this scheme.

The vast majority of residents and traders that I speak to want the LEP to award the funding for the scheme because they recognise the wider area (not just the roundabout) is a hindrance to the economic and social development of our city and the safety of road users. Residents also want the detail to be right.

You will be aware from the conversations that I have had with officers and councillors and from comments that I have made in the press that I was concerned about some of the details, most recently saying in the local media:

"There are some very good aspects of this project that everybody seems to support such as cycling, walking and accessibility. but:

- 1. removing the access from Madeira Drive and redeveloping the Duke's Mound junction to compensate is not one of them, neither is*
- 2. lack of additional tree-planting on the Kemp Town side,*
- 3. lack of bus stops [on the Kemp Town side] which will reduce footfall to Kemp Town,*
- 4. restricted access to the Old Steine for event organisers, or*
- 5. the bike lane alignment and crossings on the Old Steine and outside the Pier...*

...I have relayed many of the concerns to officers in the council and I continue to receive reassurances that these will be taken on board in later design iterations but these need now to be in writing..."

Casework and local requests

Labour
and Co-operative

Today in the letter, you addressed all these issues more specifically and pledged to review the following in the next design stages:


1. *access and egress arrangements from the Madeira Drive junction with the A259;*
2. *the number and location of new tree planting on the eastern side of the A23, especially near to Kemp Town.*
3. *the number and location of bus stops, especially on the eastern side of the Old Steine adjacent to St James's Street; and*
4. *access arrangements for events held within Steine Gardens, such as the Festival;*
5. *the alignment, layout and crossing points for pedestrians at the Palace Pier traffic signal junction; the alignment, layout and crossing points of the new cycle lane, including within the Old Steine area and adjacent to the Royal Albion Hotel and on the seafront*

No scheme will please everyone, but following your letter, as I requested, the above commitments allow me to support the scheme. The LEP should, in my view, ensure through conditions that the above areas are addressed. They should approve the funding, as residents and I know, that this scheme (with the correct detail) has the potential to vastly improve the local area and surroundings' economic development.

If you wish to circulate this letter to members of the LEP (which I believe have already been sent some press cuttings about my statements which may not now fully reflect my views) I would be more than happy for you to do so. I will also write to the Argus regarding this letter.

I hope the city is fortunate enough to receive the funding and resources to make the aforementioned improvements to our area possible. I look forward to working with you and the community at the next stages of the scheme.

Yours sincerely



Lloyd Russell-Moyle MP

Appendix A

Valley Gardens Forum CIC assessment of the BHCC Business Case for VG3 - 100919

Since over three-quarters of the funding for Valley Gardens Phase 3 is intended to be derived from the Government-funded Coast to Capital Local Enterprise Partnership¹ it is reasonable to ask whether the Valley Gardens Scheme meets the remit of the 'LEP'.

What is a LEP?

"There are 38 Local Enterprise Partnerships across England. They are business led partnerships between local authorities and local private sector businesses."²

and further

"our strength comes from the leadership and influence we bring to the area by connecting Government, businesses and local partners, including our local authorities and education providers."³

There has been and continues to be no local private sector business representation whatsoever in the design and evaluation of Brighton's Valley Gardens Scheme. It has been an entirely in-house Council project. Local businesses have had the utmost difficulty in gaining even a hearing from Council officers and members involved, let alone to partner with them, to such an extent that the Valley Gardens Forum CIC (Community Interest Company) came into being with the purpose of trying to bring the views of local businesses & residents to bear on the scheme through public engagement and even legal pressure.

The Valley Gardens Forum has had the utmost difficulty in obtaining even the most basic information about Phase 3 of the Valley Gardens scheme from BHCC, as numerous communications attest. In the last month two major documents have appeared on the BHCC website of whose existence no one in the consultation community had previously been aware: 'Valley Gardens Phase 3 Stage 1 Report' dated August 2018 and 'Valley Gardens Phase 3 Stage 2 Report' dated February 2019, authored by consultants Mott MacDonald, both substantial documents comprising a total of 324 pages. Why were these documents previously withheld from the public? And how credible are they? The Stage 2 Report is 'dated' February 2019; yet the 'Steine Gardens Design & Access Statement' on page 181 is dated March 2019; the Risk Register, tabulated on pages 194-210 is dated 24th April 2019. So the date on the front cover of the document is misleading. Documents which bear on important issues relating to contracts, funding or political decision making may of course be revised as events develop. But the integrity of their contents requires honesty, including in accurate dates of publication and any revisions – obviously pre-dating a contract could have serious legal implications – and such anomalies undermine the credibility of this document and its author. This and the fact that the information even of the documents' existence was withheld for so long illustrates just how BHCC seems to have expected to steamroller through its proposals without public scrutiny; and how unsettled they now are under reasoned and legitimate public interrogation.

¹ C2C Local Growth Fund Business Case, BHCC, 19/12/2019, Table 1.4, p.7,

² <https://www.lepnetwork.net/about-leps/location-map/>, para. 2

³ Coast to Capital Annual Report, 2017-2018, p.2

Few in Brighton (including substantial local businesses) had heard of the scheme until after building work had started on Phases 1 and 2 earlier this year. Most local residents and businesses still have little clear idea of their Council's intentions. At no stage has this been a partnership with the community.

So what are LEPs for?

"They play a central role in determining local economic priorities and undertaking activities to drive economic growth and job creation, improve infrastructure and raise workforce skills within the local area."⁴

BHCC's Business Case for VG3 addresses this in its opening paragraph. It seeks to create

"a simplified road layout, cycle route and public realm improvements in the southern section of the Valley Gardens area of Brighton."⁵

VG3 addresses only infrastructure. It does not seek to drive economic growth, job creation or raise workforce skills. It is an LEP requirement that a formal business case should support any application for funding and that this should follow the methodology set out in the Treasury Green Book. BHCC published its Business Case on December 19, 2018, set out accordingly in this Green Book format. The BHCC Business Case has been independently assessed by Transport Investment Solutions Limited, but its analysis consists of little more than confirming that BHCC has conformed to these DfT guidelines and contains no evidence of original scrutiny,⁶ The Business Case is 42 pages long and contains much jargon (such as 'dysfunctional placemaking'⁷). However, key points can be isolated and examined.

The Valley Gardens Scheme Strategy

The Green Book requires that, as part of the Business Case, a Strategic Case be made which

"should set out the background to the proposal and explain the objective that is to be achieved"⁸

Neither the Business Case's opening Executive Summary nor the Strategic Case reveal the actual strategy underlying the scheme. However, an overview map⁹ reveals, as the accompanying text does not, the real objective of the VG3 scheme: to deter private and commercial vehicles from using Valley Gardens corridor by the creation of choke points to create traffic congestion. This would be achieved by:

1. The creation of a largely pedestrian piazza stretching from the frontage of the Royal Pavilion southwards to the A259, bisected by a bus lane to the east from the A259 to North Street and a bus connector between St James's Street and North Street.

⁴ ib.

⁵ C2C Local Growth Fund Business Case, BHCC, 19/12/2019, 1.1, p.2

⁶ Valley Gardens Phase 3 Independent Assessment Report, TISL, May 2019

⁷ C2C Local Growth Fund Business Case, BHCC, 19/12/2019, 2.1, p.10

⁸ 'Assessing Business Cases, A Short Plain English Guide' HM Treasury 4.1, p.4

⁹ C2C Local Growth Fund Business Case, BHCC, 19/12/2019, Figure 3: Phase 3 preferred option , p.4

2. All private vehicle traffic and north and southbound bus routes is to be constrained to a 5-lane funnel to the east.
3. North of Eastern Road, A23-bound buses only follow north on the east side of Valley Gardens (Marlborough/Gloucester Place)
4. All other traffic is further funnelled into one lane each, north- and south-bound to the east via Grand Parade and Richmond Place.

Detailed scale drawings of the scheme's road layout including carriageway details were withheld, and only made available to the Forum in July as a result of a solicitor-moderated mediation conference prior to legal action.

This layout will halve Brighton's north-south road capacity between the A259 (east-west coast road) and the divergence of the A23 (London Road) and the A270 (Lewes Road) at St Peter's Place just north of St Peter's Church. Nowhere in any of the hundreds of pages of BHCC documents relating to this project has this simple and crucial fact, the central strategic objective of the scheme, been openly and honestly stated. It is revealed in the Assessment Report of Transport Investment Solutions Limited:

"...it will lead to an increase in journey times for both car and bus users, as the number of lanes available for vehicular is reduced (sic). This will result in significant journey time disbenefits of £17.042 million. Assessment of these (dis)benefits was based on the model outputs from the city centre PARAMICS traffic model developed for BHCC by AECOM. "¹⁰

This is called "a simpler road layout"¹¹. In plain English this means 'we intend to clog up traffic through central Brighton so much that no one will want to drive there'. Local businesses, residents and visitors would be horrified if they knew what is about to be imposed on them. Local residents will be further alarmed when their residential streets are turned into rat-runs by local deliveries and commuters.

At no stage has BHCC published straightforward illustrations and plain-English text explanations of its proposals. It had not done so until the recent materialisation of the Stage 1 and Stage 2 reports referred to above. It is not remotely reasonable to expect that the general public should trawl through all 324 pages of these documents to understand what their Council is planning to drastically revise the heart of their city. BHCC has still done nothing to assist public understanding, awareness and involvement beyond a brief Town Hall foyer 'exhibition' on a temporary notice board and the claim of a derisory leaflet drop of the few immediate neighbours with Valley Gardens frontages - though few if anyone received them - despite the fact that the scheme represents the most radical change to the heart of the City in a generation. A change which will affect every citizen, business and visitor in Brighton. BHCC has thoroughly and wilfully failed to inform and consult local people, businesses and residents in its top-down determination to minimise public participation and proceed without the inconvenience of debate or criticism.

¹⁰ Valley Gardens Phase 3, Independent Assessment Report, Transport Investment Solutions Limited, p.6

¹¹ C2C Local Growth Fund Business Case, BHCC, 19/12/2019, p. 3, para.2

The Valley Gardens Economic Case

A further Green Book requirement is that an Economic Case should be made which

“assesses the economic costs and benefits of the proposal to society as a whole, and spans the entire period covered by the proposal.”¹²

Options Analysis

It is further required that an Options Analysis be conducted, including the option of ‘doing nothing’. BHCC has declined to discuss or publish details of any other than its preferred option, Option 1, making it impossible to make critical relative comparisons, although BHCC does include some numerical outcomes, all inferior to Option 1, suggesting that some such process has been conducted internally. Much relevant information is probably contained in the recently emergent Stage 1 & 2 documents referred to above, although there is no evidence that alternative options were seriously considered. The scheme still looks like a plan to deter east-west through traffic on the A259 and to choke north-south traffic on the A23 through Valley Gardens as completely as possible.

Economic Impact

There are various sources of data supporting the Economic Case, but much of the numerical work originates from consultants Mott MacDonald and assesses projected benefits under six headings following DfT and MHCLG guidelines.¹³

All calculations are quoted in £mn. to three decimal places, that is, the nearest £1,000. Over a twenty-year time horizon such claimed predictive accuracy would be astonishing if it were credible. No degrees of variance are suggested for any of the figures based on real-world experience. The figures appear to be the product of a mathematical approach to economic modelling: to take some measured inputs, make a few predictive assumptions and apply some formulae in a generic, predictive model and go with the numbers that emerge, plausible or not.

Accident Reduction Benefits

The biggest predicted positive benefit is in Accident Reduction. These figures have been analysed extensively in the accompanying **Appendix 2 document - VGF Assessment of BHCC Air Quality and Accident Data for VG3 100919**.

Active Travel Benefits

Given that the Business Case claims that the scheme will produce

“major benefits for cyclists and pedestrians in particular”

¹² ‘Assessing Business Cases, A Short Plain English Guide’ HM Treasury, 4.2, p.5

¹³ Mott MacDonald, Economic Case Technical, Appendix A, 16/12/18

it is surprising that the discounted 20-year impact figure cited in the Business Case for Active Travel benefits is the smallest of the six outcomes at +£1.495mn. It appears to be based on a 5% uplift in cycling, a trivial return for a scheme projected to cost £7.84mn.¹⁴

Land Value Benefits

The Land Value ‘benefit’ is greater, calculated at +£4.295mn. This economic benefit is contested by the city’s leading surveyors and estate agents. Additionally, whether an increase in property values represents a net benefit to the community is a concept not considered in the Business Case. Few residents of Brighton think that current property prices are too low now, and do not relish the thought of them being inflated further by a new road scheme. Inflated property prices mean higher rents and higher business rates, hardly a ‘benefit’ to Brighton businesses. This sort of modelling is appropriate when proposing, for example, a new railway station, where existing residents may see the increase in the values of their homes as some compensation for the inevitable disruption. Similarly the reverse applies to homes very near a proposed new airport runway. So why is the figure for VG3 positive?

“Based on the assumed 10% change of land-use from office use to residential use in the study area resulted in a land-value uplift of £8.2mn for Option 1, an uplift of 8%vs. the “Do Nothing” scenario.”¹⁵

That is to say, the whole of the land value benefits were derived from an assumed shift of use from office to residential use and not directly from the road scheme at all.

Public Realm Benefits

Public realm enhancements as calculated by consultants Mott MacDonald are based on several assumptions such as

“A willingness-to-pay figure of £1.80 per household for each hectare of new public realm was assumed, based on guidance from MHCLG”¹⁶

and

“There are a total of 127,000 households in Brighton and Hove”¹⁷

In other words, this section of the economic benefit assessment assumes that merely enclosing an area on a plan and constructing a road scheme inside it yields a tangible, material and positive benefit of equal monetary value - £1.80 per household – to every household within the City boundaries, and none whatever to anyone else. But Brighton is one of the busiest tourist resorts in the country, and the second largest business area in Sussex. For example, there were approximately 50,000 visitors every day to Brighton Palace Pier alone during the August Bank Holiday 2019, a total figure well in excess of Brighton’s 127,000 notional ‘households’; and every single one of those visitors would pass through at least part of the Valley Gardens area. The

¹⁴ C2C Local Growth Fund Business Case, BHCC, 19/12/2019, 5.1, p. 35

¹⁵ Mott MacDonald, Economic Case Technical, Appendix A, 16/12/18, p.10, 2.5.4, Outputs

¹⁶ ib., p6, 2.4.2, Assumptions

¹⁷ ib.

analysis ignores the benefit/disbenefit to all these people, an omission for an economic case evaluation, especially in the context of an 'Enterprise Partnership' application. And every single one of those visitors is a customer of several local businesses.

The MHCLG template for assessing public realm benefits for a typical location are so glaringly inappropriate for an area like that adjacent to Brighton Palace Pier that the figures they produce can be discarded as worthless. The true figure could be far higher – if the public pedestrian space benefits proposed are truly realised; or very much lower, in fact a large negative figure – if traffic congestion is so severe that visitors are deterred from visiting the Pier, or indeed visiting Brighton at all.

An informed, reasoned analysis of the interaction of current visitor, residential and commercial traffic, conducted with the relevant stakeholders and well-argued projections of the impact of the proposed changes could usefully contribute to an informed evaluation of the scheme. While the wide concerns for air quality and public health have not been properly considered as public realm disbenefits. For either case a formulaic approach such as that employed by Mott MacDonald offers little worthwhile insight.

Knowledge Intensive Business Benefits

The KIB sector is very strong in Brighton. The Business Case suggests a positive impact of the scheme of £6,168mn¹⁸ over a 10-year forecast period, which a substantial economic boost for the City if it were credible. The forecast period is 10 years rather than 20 years as applied to other forecast numbers. The reason given is

“Given the uncertainty in long-term economic forecasting, the forecast period for KIBS benefits in the economic case for Valley Gardens Phase 3 is 10 years (rather than the 20-year period used for other impacts).”¹⁹

No further rationale is offered for this variation. 'Uncertainty in long-term economic forecasting' would affect all the other figures in the Business Case, such as land values and traffic volumes. Unsubstantiated assumptions like this characterise much of the conceptual framework underpinning the Business Case.

Forecast growth in the KIBS sector is based on Office for National Statistics calculations, and is very strong at 5.75% per annum²⁰. It is additionally assumed in the model that

“Attribution of KIBS-related city centre growth to Valley Gardens Phase 3 scheme = 1%”²¹

and further

“It was assumed that all of the four “Do Something” Options would have the same economic impact on the development of KIBS sectors in Brighton & Hove.”²²

¹⁸ C2C Local Growth Fund Business Case, BHCC, 19/12/2019, p.5, Table 1

¹⁹ Mott MacDonald, Economic Case Technical, Appendix A, 16/12/18, p.11, 2.6.2 Assumptions

²⁰ ib.

²¹ ib.

²² Mott MacDonald, Economic Case Technical, Appendix A, 16/12/18, p.11, 2.6.3 Methodology

This is another unsubstantiated assumption presented as a technically-derived forecast: it is simply assuming that any new road scheme would have this beneficial uplift on KIBS growth, while leaving things as they are would be neutral, and that this growth would not happen.

To a member of the public it might seem obvious that the years-long disruption caused by the extensive Valley Gardens Project roadworks might have a depressing effect on the local economy, whatever the final road layout and that, if it resulted in greater local congestion, might well have an on-going negative impact on businesses generally. These plausible outcomes are not addressed in the Business Case.

Journey Time Benefits

The figure for journey time benefits is much the largest in the Business Case forecast benefits for the scheme, and it is negative: -£17.042mn, discounted over the 20-year forecast period.²³ Incredibly, there is no narrative examination of this enormous figure anywhere at all in the Business Case.

It is hard to find any detailed breakdown of how this figure was derived, although the accident analysis gives an indication. It states that traffic flows were measured over weekday one-hour morning and evening peak times. Anyone who has stood at the Pier roundabout on a summer weekend or Bank Holiday might find this methodology perverse, misleading and wholly inappropriate for traffic of all modes on Brighton seafront. 9am on a winter Monday morning versus a sunny summer Sunday afternoon – easy to guess which would be busier, Brighton seafront is not an inner-city commuter suburb! However, some limited modelling figures are accessible, again based on one-hour ‘peak-time’ surveys.²⁴ The methodology ignores all other times, applies an average queue delay per vehicle, applies a unit time value (£13.72) and multiplies them together.

This is another application of inputting survey-derived measurements to unsupported modelling abstractions to produce a numerical result of superficial precision but spurious validity. No modelling of the before - and after - effects of changing from the current to the VG3 road traffic flows seems to have been attempted. Even a narrative estimation would be helpful, for example by explaining the effects of the proposed modifications on a junction-by-junction basis, and how they can be predicted to affect traffic flows. Exactly this kind of estimation has been volubly expressed from the taxi and bus user communities, for example in their concerted opposition to the removal of the pier roundabout, making Madeira Drive one-way and the choking of traffic at Grand Parade/Richmond Place, referred to above.

There is much emphasis on current perceived negatives:

“the dominance of vehicular traffic, inefficient road layouts and poor quality public realm are imposing limitations on pedestrian and cyclist movement .”²⁵

and

²³ C2C Local Growth Fund Business Case, BHCC, 19/12/2019, p.5, Table 1

²⁴ BHCC data 19_819/TRANSPORT MODELLING/TRANSPORT MODELLING/341760 RR 20 C Valley Gardens Phase 3 Economic Impacts - TUBA

²⁵ C2C Local Growth Fund Business Case, BHCC, 19/12/2019, p.14, para. 3

“Poor quality public realm and placemaking... the current road layout and cluttered street furniture in the southern section of Valley Gardens fail to impress...”²⁶

The Business case proposes:

“The solution to this challenge is to redevelop the public realm and road layout along Valley Gardens to enhance traffic flows, enable frictionless pedestrian movement across Valley Gardens and enhance the streetscape to make the area more attractive as well as more effective.”²⁷

The proposal continues to emphasise the benefits to pedestrian and cycling access to the seafront pier junction and enhancements to public realm yielded by increasing the space allocated to them, in the case of pedestrians from 45% to 64% of scheme area.²⁸

The Business Case continues with generic lists and tables citing former and current plans and strategies. One table stands out in relation to the impact of VG3. In reconciling VG3 to the City Plan Part One under Investment Objectives, of the 8 objectives, 7 are positive relating to pedestrians, cyclists, road safety, the environment, inclusive space, public transport and the public realm, claiming to offer ‘improvements’ or ‘enhancements’. One objective is negative

“Design Objective 4: To reduce the impact of vehicle congestion”

and

“A. Improve north-south general traffic journey times”²⁹

No explanation is offered of how the scheme might achieve this, nor any reconciliation of the huge journey time disbenefits the Business Case itself predicts particularly with respect to displacement of traffic into side streets and around the Dukes Mound junction. In this area the Business case simply contradicts itself and is not coherent.

Conclusion

In justifying the Financial Case for the scheme the Business Case admits that, even by its own estimates, it is in the DfT ‘low value for money’ category.³⁰ It rates the cost:benefit ratio at 1.2:1. However, viewed purely as a traffic scheme and leaving aside the debatable non-transport figures analysed above, setting the claimed benefits to Active Travel of £1.295mn against the Journey Time disbenefits of -£17.042 shows a cost:benefit yield of negative 1:11.4.

An even greater financial hazard posed by the current proposals concerns Madeira Drive/Duke’s Mound, integral to the scheme’s design and acknowledged by BHCC as necessary for VG3 to work. As explained by Councillor Lee Wares in an email responding to a public statement by the Chair of the BHCC Environment, Transport and Sustainability Committee Cllr Anne Pissaridou on September 8th 2019:

²⁶ 2C Local Growth Fund Business Case, BHCC, 19/12/2019, p.13, para. 1

²⁷ 2C Local Growth Fund Business Case, BHCC, 19/12/2019, p.14, para. 5

²⁸ 2C Local Growth Fund Business Case, BHCC, 19/12/2019, p.14, para. 6

²⁹ 2C Local Growth Fund Business Case, BHCC, 19/12/2019, p. 21

³⁰ 2C Local Growth Fund Business Case, BHCC, 19/12/2019, p. 34, 5.4, Value for money

“..the project now relies on major investment to Duke’s Mound that the Council intends to finance from the enabling funds for the Waterfront project; what is key here is that the cost and negative traffic benefits this brings is not calculated within, or assessed as part of the business case submitted to the LEP.”

Not only does this undermine the scheme’s BCR viability, it jeopardises the whole scheme. It is currently claimed that this scheme is not only separate from the Valley Gardens scheme, it is merely a junction re-alignment and, as such, will not attract public scrutiny or further consultation. It seems very likely that residents to the east of the city centre will disagree energetically with this approach to routing large volumes of additional traffic through their neighbourhood, including many heavy vehicles, such as all exiting passenger coaches that at present leave Madeira Drive via the roundabout. If such public objections succeed the current design for and financing of the Valley Gardens Phase 3 would be terminally compromised.

Yet implicit assumptions on which the BHCC Business Case is based make no effort to accommodate future developments. What kind of roads and public spaces will be needed in ten or twenty years time? No one can be sure, but internal combustion will probably have declined or disappeared; electric motive power will be widespread, probably with a high degree of AI incorporated, such as collision avoidance, making shared space much more feasible and user-friendly; perhaps self-driving electric pods which automatically assemble and separate into self-organised trains based on aggregated optimal journey times and destinations; perhaps intelligent roads with built in sensors? All these possibilities, based just on current technology, are increasingly widely understood.

BHCC are committed to the Transport for South East programme for the A23 and A259 major road network yet there is no apparent overlap in the planning of these schemes. The Valley Gardens scheme is a generational project and such investment is not likely to be repeated for several decades hence. Our city’s unique and special infrastructure requires careful development and planning. The existing Business Case and supporting documentation are not fit for this very important purpose.

From: Daniel
Sent: 09 September 2019 09:06
To: Local Growth Fund
Cc: Councillor Nicholas Childs; Councillor Amanda Evans; Councillor Anne Pissaridou; libby barnes; Bill
Subject: Valley Gardens Phase Three Resident Feedback

Dear C2C,

I am writing as a resident of 71-73 Grand Parade Brighton, BN2 9WY. I am located on the East (kemptown) Side and am currently affected by Phase 1 and 2 of the valley gardens project.

I live less than 3 metres from the roadside and am located on the 1st floor. Since moving here in Nov 2017, I have since suffered with breathing issues and have been diagnosed with asthma.

I would like to call for the council to pause phase three for the following reasons:

- The consultation on the 19th June 2018 in which I raised concerns with the position of traffic lights, lack of tree planting on the east side and current dangerous levels of pollution were not listened to. The person doing the consultation said its the drivers faults. However moving four lanes of traffic to the east side will increase the levels, which are already over the safety limits for the area.
- Do we have evidence on what impact VG: 1, 2 and 3 will have on pollution levels? in the E17-03 Zone Please? We are already at dangerous levels of NO2.

GRAND PARADE UNIVERSITY AIR POLLUTION INFO									
Site ID	Site Type	Monitoring Type	Valid Data Capture for Monitoring Period (%) ⁽¹⁾	Valid Data Capture 2018 (%) ⁽²⁾	NO ₂ Annual Mean Concentration (µg/m ³) ⁽³⁾				
					2014	2015	2016	2017	2018
E17-03	Roadside	Diffusion Tube	Full Year	83	52.3	51	46.1	44.2	46.8

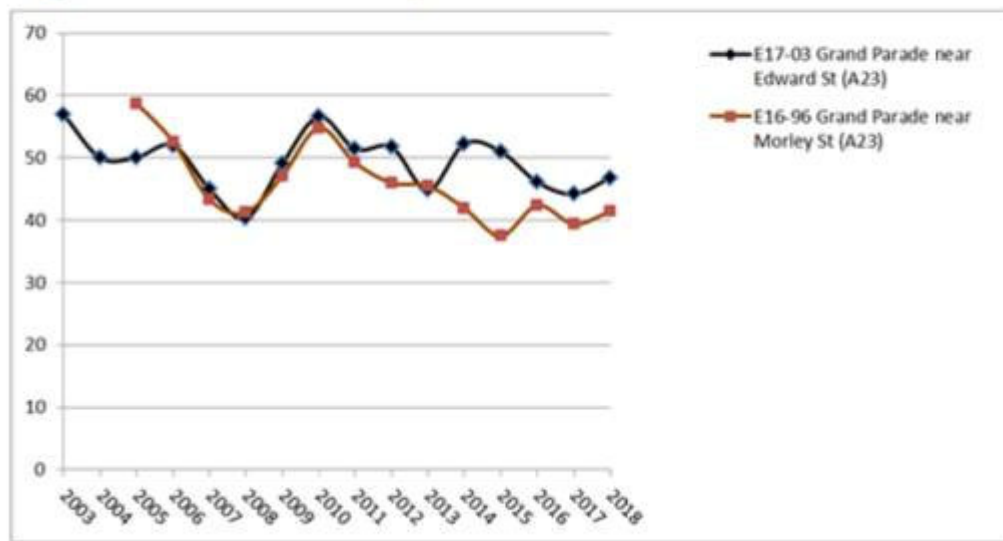
Notes:
 Exceedances of the NO₂ annual mean objective of 40µg/m³ are shown in **bold**.
 NO₂ annual means exceeding 60µg/m³, indicating a potential exceedance of the NO₂ 1-hour mean objective are shown in **bold and underlined**.
 (1) Data capture for the monitoring period, in cases where monitoring was only carried out for part of the year.
 (2) Data capture for the full calendar year (e.g. if monitoring was carried out for 6 months, the maximum data capture for the full calendar year is 50%).
 (3) Means for diffusion tubes have been corrected for bias. All means have been "annualised" as per Boxes 7.9 and 7.10 in LAQM.TG16 if valid data capture for the full calendar year is less than 75%. See Appendix C for details.

Site ID	NO ₂ Mean Concentrations (µg/m ³)												Annual Mean		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Raw Data	Bias Adjusted (factor) and Annualised ⁽¹⁾	Distance Corrected to Nearest Exposure ⁽²⁾
E17-03	39.5	41.1	61.4	52.2	63.1		58.4	49.3	43.2	52.1		42.1	50.2	46.8	46.8

- I ask the council to reconsider the planting of trees along the east side and to look into Silver Birch Trees which are proven to soak up pollutants. Evidence here: <https://www.the-scientist.com/news-opinion/trees-tested-as-pollutant-traps-65940>

- London are warning of micro particles which come from Dark Carbon, small pieces of metals etc, what tests have been done locally across all three phases to see the impact? Evidence: The Air Quality Experts Group (AQEG) has a report on [particles in the UK](#).

Figure 10 AQMA1 Valley Gardens East Side Since 2003



I have to object to phase three until the issues with phase 1 and 2 have been listened too. I hope you take into account the research I have done. I agree this is important and we need to see better access on the valley gardens, I do not drive. But its important that residents are property consulted and listened to and of the people who did get to share their views clearly we have been ignored.

There is a large concentration of Emergency Accommodation buildings and tenants living in council buildings within 50m of the new East Side development, I am worried many of these haven't had a voice.

If you would like to discuss this feel free to contact me.

Kind Regards

Daniel Harris

Appendix B

Valley Gardens Forum CIC assessment of the BHCC accident data and air quality for VG3 - 100919

- **Where's the harm?**

Our response to *exaggerated* road accident casualty data relating to Brighton Pier roundabout and the *ignored* implications for air quality resulting from the roundabouts removal.

In the Business Case (BC) for Valley Gardens Phase 3 (preferred option 1) six benefits are listed for Brighton & Hove's residents, visitors and local businesses. It's noticeable that improved air quality isn't one of them but the benefit listed at number six is **"Improved road safety, with anticipated collision and casualty reductions."**

Road safety is mentioned again under "Design Objective 6: To improve road safety:

A "Reduce occurrence and severity of vehicle / P2W collisions"

B "Reduce occurrence and severity of pedestrian collisions"

C "Reduce occurrence and severity of cyclist collisions".

Improved air quality is mentioned under "Design Objective 7: To enhance the environment"

A "Improve air quality".

- **Collision and casualty reductions:**

Clearly accident reduction is an important justification for Phase 3 (option 1). However, its deeply troubling that the council's claims don't stack up.

On page 25 of the Business Case a major part of the £6m funding requested is 'an estimated £11.001mn [of] accident reduction benefits' with a 44% reduction in accidents predicted (based, it says, on "COBALT analysis" over a 60-year forecast period – see table on page 4).

Page 12 of the Business case states:

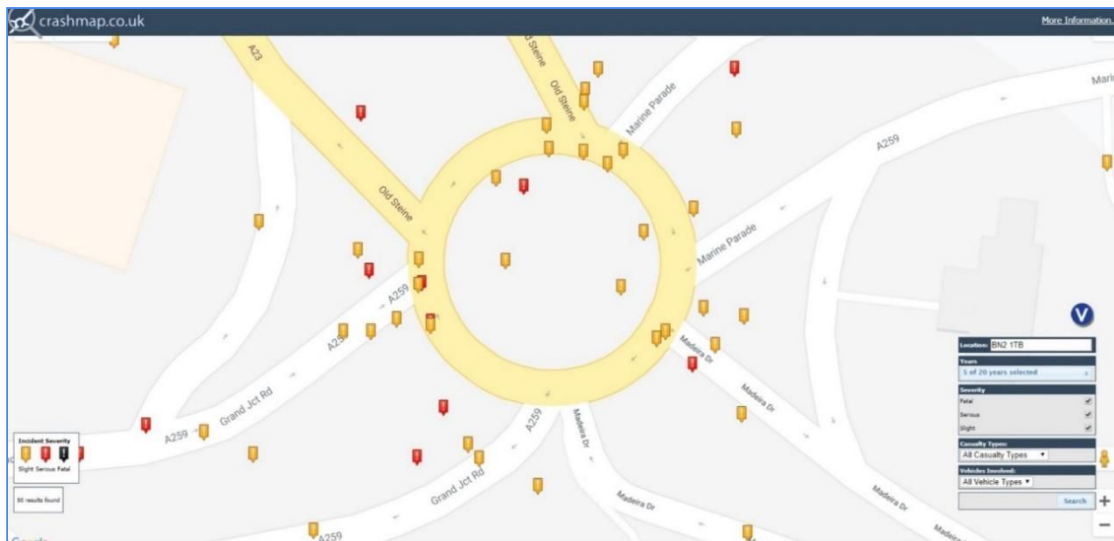
"Valley Gardens has experienced a large number of collisions, many resulting in serious casualties. Collision data also indicate the higher risk for vulnerable road user groups, particularly at the A23/A259 junction [i.e the Pier roundabout]"

"124 collisions (2013 to 2017), 23 resulting in serious injury"

Any reasonable reaction to '124 collisions (2013 to 2017), 23 resulting in serious injury' would hold that measures significantly reducing this must surely be a worthy justification for the scheme. The claim that **"40 percent"** of these accidents occur **"at the Pier roundabout"** reinforces the view that the roundabout is at fault and a better solution is urgently required. However, 40% (resulting in 64 casualties) includes incidents on approach roads. On the roundabout itself there were in fact 17.

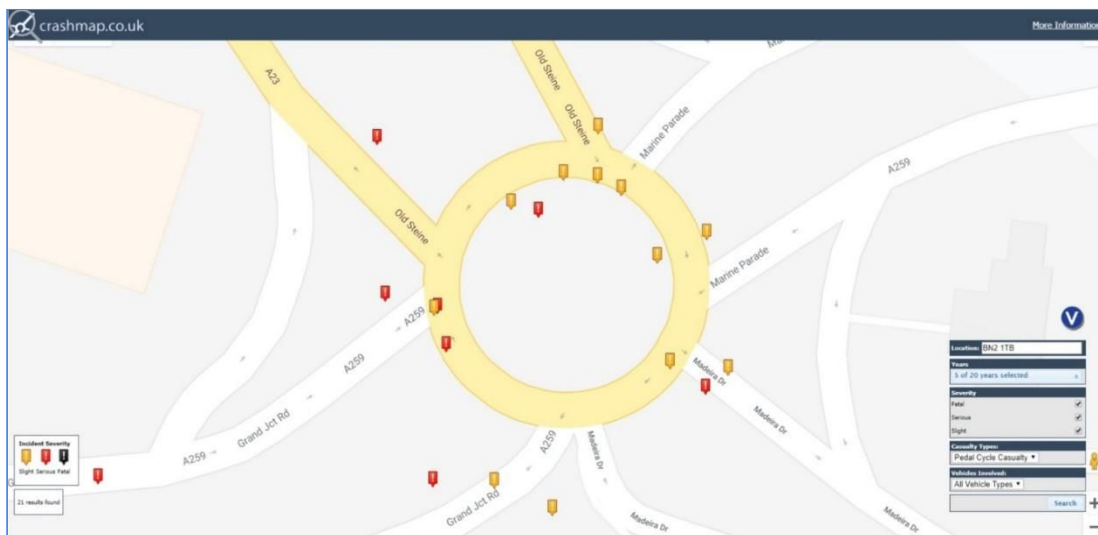
The Pier Roundabout:

The DfT advise use of crashmap.co.uk. It states "this site uses the data we publish on reported road traffic accidents and plots the information onto a user friendly map". For the 2013 to 2017 five year period, a period in which 91,250,000 vehicles flowed through this roundabout, crashmap shows this:



Marked on the roundabout itself we see 15 incidents of “slight” severity and 2 marked as “serious” (none fatal). This is the 5 year figure for a roundabout enabling 90 million vehicles to pass through the vital A259 east-west coastal route! Although we can all agree that 2 serious incidents is ‘2 incidents too many’ such rhetoric should not skew the fact that this is NOT a “large number”. if the aim is to eradicate this level of risk then surely *all* road junctions with similar or worse ratings would need to be shut down? **We would like to ask why this acute level of concern for road safety is not matched in the Business Case with concerns for the human harm caused by N02 and PM 2.5 pollution in relation to this scheme?** (page 5 explores this issue in more depth).

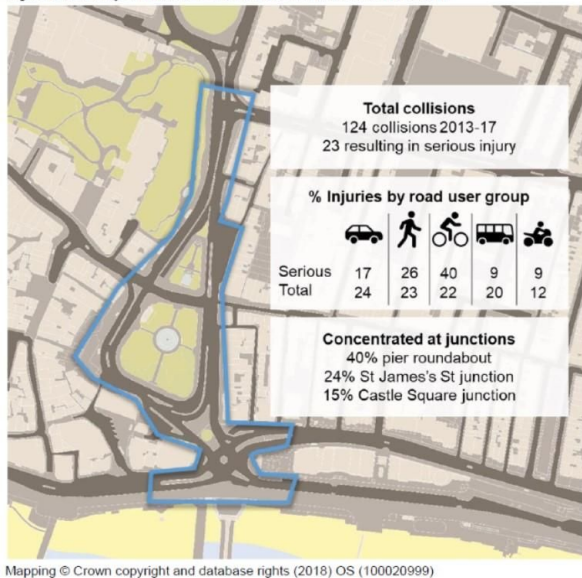
We note the council’s responsible and diligent concern for “vulnerable road user groups” at the roundabout. For the same period in relation to pedal cyclists Crashmap shows this:



Collisions involving pedal cycles and ‘all vehicle types’ indicate 8 “slight” incidents marked on the roundabout and 3 “serious” incidents. For pedestrian-related incidents the appropriate map – again for the 5 year period/90 million vehicle flow – indicates a single “slight” incident.

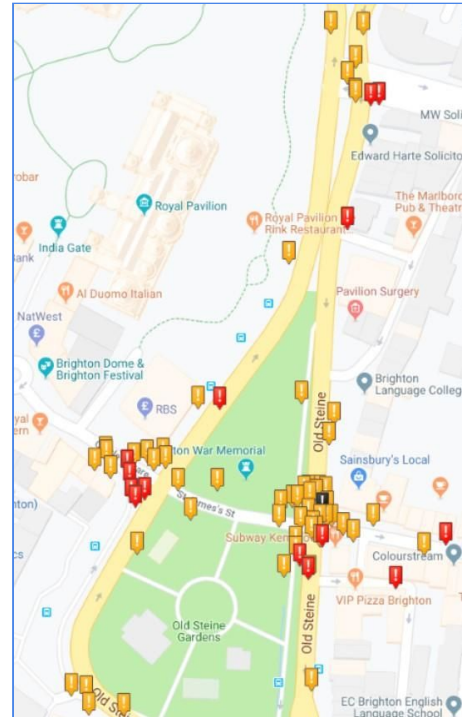
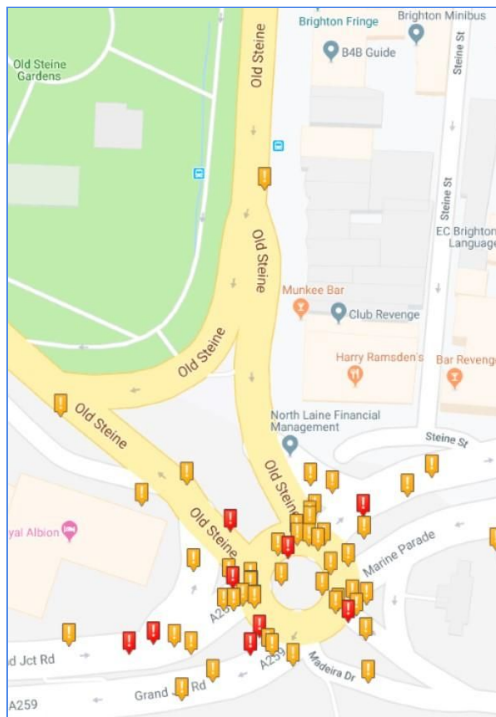
The council’s concern over ‘124 collisions (2013 to 2017), 23 resulting in serious injury’ refers to its phase 3 area map (p13 BC, and here below). Crashmap confirms there are indeed 23 red markers for serious injury on the VG3 corridor - see below (a), (b).

Figure 8: Summary of collisions in the Phase 3 area between 2013 to 2017



Our contention is that the council's presentation of collision data influences the reader to conflate figures that apply to the whole VG3 corridor with the roundabout.

It is the case that the roundabout (despite needing modernising and new pathways for cyclists placed elsewhere) is NOT unsafe. Nor is it the location of "large amounts" of accidents (or indeed a risky location for "vulnerable" users). On average, as 18m vehicles flow through, 2 pedal cyclists have an accident on the roundabout each year (we'd love to know how the council proposes to reduce this by 44 percent!).



Above (a) and (b): Crashmap data 2013 to 2017 for BN2 1TB. 23 red markers for serious injury.

Note (b): More casualties – including 1 x fatal at A23 junctions Castle Sq and St James St than at roundabout (a)

We note that the council's own research (provided by consultants Mott Macdonald) contradicts its claim that phase 3 must entail roundabout removal.

Option 1 - is the scheme the council is determined to push through.

Option 2 - which retains a roundabout is assessed as the safest of all options in terms of "accident benefits".

2.2.3 Outputs

The following table presents the results of the COBALT assessments over a 60-year forecast period. All options result in a reduction in the number of accidents, with Option 2 providing the biggest reduction. This is because the new roundabouts result in fewer accidents than the other types of new junctions proposed.

Table 2: COBALT Results (£000's, 2010 prices discounted to 2010)

	Option 1	Option 2	Option 3	Option 4
Without Scheme Accident Costs	52,383	52,383	52,383	52,383
With Scheme Accident Costs	29,464	14,603	29,859	28,583
Accident Benefits	22,919	42,408	22,524	23,800

Source: COBALT Assessments

Table 3: COBALT Results (Accident numbers)

	Option 1	Option 2	Option 3	Option 4
Without Scheme Accidents	1,286	1,286	1,286	1,286
With Scheme Accidents	712	384	723	726
Accidents saved by scheme	574	902	563	560

Source: COBALT Assessments

Roundabout Subject

We therefore further contend that a fair assessment would need to look, precisely, where the council's Business Case fails to look – namely, at the consequences of all traffic placed to the east side of roundabout removal and of changes to Madeira Drive in relation to harm caused by **increased air pollution**.

- **Air Quality**

By the council's own admission, the proposed Phase 3 has entailed **no environmental impact assessment** (although it alludes to environmental *screening*). In January 2019 the council said:

"The development of design options was informed by a high level, technical analysis of environmental issues, including noise and air quality"

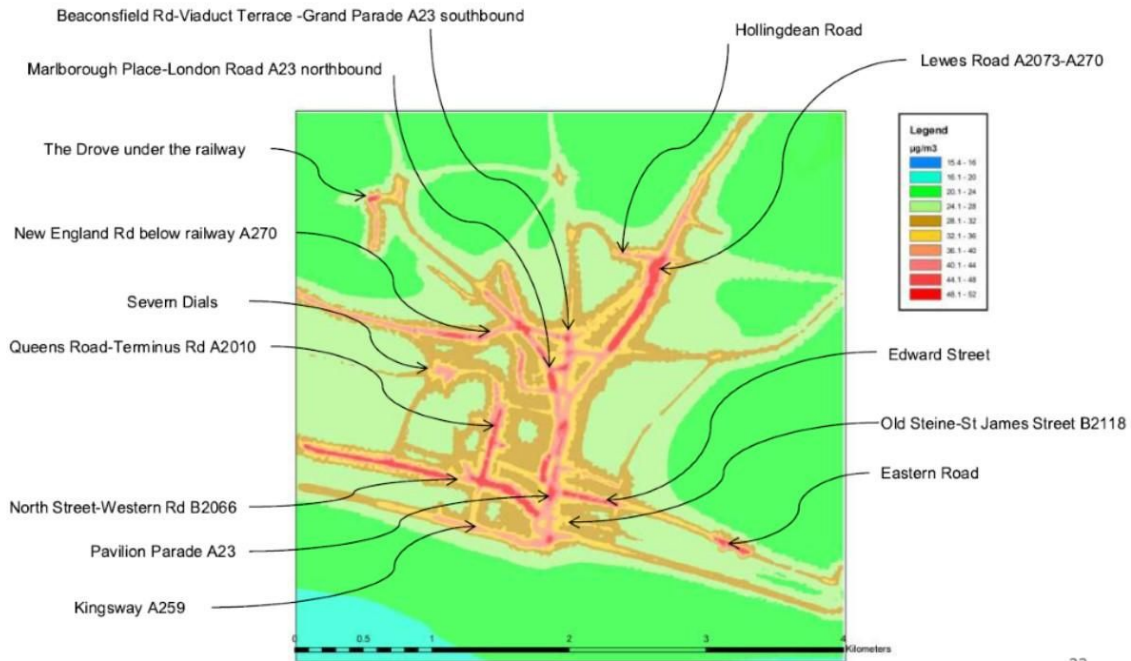
A month later it said:

"no air or noise modelling has been undertaken (our emphasis); however it is anticipated that the creation of a larger area of public open space with additional tree planting will have environmental benefits."

In the latest BHCC Air Quality Report for 2018 (published June 2019) the summary states:

'...where diesel traffic stops and starts in confined spaces, concentration of NO₂ continues to exceed the legally binding limit. This [city] is a highly populated area where thousands of people live and work. Years spent in a location is an important factor when considering the dose and exposure to pollutants inhaled and lifelong impacts on overall health; lung and circulatory conditions in particular. Long term pollution levels in the city are improving, but further declines are essential for a healthier city.' (page ii)

Brighton Central (16km²) Key AQMA Streets Above NO₂ Legal Limit



22

Brighton and Hove City Council's latest annual Air Quality Status Report demonstrates that air quality in the city has improved overall. However, the poisonous nitrogen dioxide (NO₂) caused by diesel vehicle emissions remain the largest contributor to the city's poor air quality. Indeed it was the only pollutant the council did not meet legal limits for last year. As it stands plans for Valley Gardens phase 3 offer no reassurance on increased stop/start diesel traffic as a result of roundabout removal. There has been no attempt to model the before and after effects of changing from the current road traffic flows to those proposed. As such VG3 poses a clear risk to health by reversing NO₂ improvements. Moreover, PM_{2.5} emissions from tyres and brakes are bound to increase regardless of vehicle type.

"When developing this project, the designs have been technically checked to ensure that the implications of any changes are identified and understood. This has included computer-based modelling of traffic flows, and an air quality assessment. Designs are also independently audited to ensure they are safe. Initial environmental assessments have been conducted and informed the recommendations and decisions made so far. These show that air quality levels within the immediate project area is within international limits, due to the relatively open nature of the space and good dispersion"

Cllr Anne Pissaridou (Chair of ETS Committee) response to resident group deputation, June 25 2019

Council leaders have made reference to 'expert' assurances that pollution on the East Side of the Old Steine will likely be dispersed into the sea. However, this runs counter to authoritative studies that set out concentrations of NO₂/PM 2.5. We've seen nothing from the council discussing the effects of prevailing winds dispersing pollution into the street networks east and north-east of the A259 and the associated 'canyon' effect which cradles plume dispersal in specific areas. The worst road traffic pollutants are at their most dangerous within the first 100m with a drop off to near background levels within 200m downwind and 300m upwind. Brighton & Hove City Council's 2018 Annual Air

Quality Status Report sets out air quality monitoring at the nearest test point to the East Side of the Old Steine as follows:

“Grand Parade A23 general traffic close to the residential façade. Levels are likely to continue to exceed the NO2 annual mean for some years to come without intervention measures.”

NO2 Annual Mean Concentration ($\mu\text{g}/\text{m}^3$) from Grand Parade E17 monitoring over the past six years is as follows: 44.8, 52.3, 51, 46.1, 44.2 (in breach of WHO targets and European law). By merging public transport with private traffic, Valley Gardens Phase 3 (Preferred Option 1) effectively doubles traffic across a funnel through the East Side of the Old Steine. A corresponding increase in noise and pollution is inevitable. The current 112 bus movements per hour within 50m of homes and working environments is doubled to 224. In April 2012 Brighton cycling group ‘Bricycles’, noted problems with noise and air quality in the immediate area: ***“High volume of traffic on most days. Frequent congestion with bumper-to-bumper motor traffic on summer weekends, Bank Holidays etc. Presence of large vehicles, including very large HGVs.”***

Even by the council’s own estimate, this scheme will exacerbate specific severe health risks for anyone that lives or works in the immediate area alongside the proposed new dual carriageway. Had Options, 2, 3 or 4 been chosen over preferred option 1, shared public transport on the west side of the Old Steine would have separated and distanced concentrations of the most dangerous airborne pollution and noise disturbance from those who live or work on the east side.

Journey Time ‘Dis-Benefits’

Belatedly added to plans for Phase 3 was a south-bound bus lane making 5 lanes in total on the east side of the scheme area. There has been no traffic modelling to account for the new dual carriageway and bus lane. However, the Business Case is clear that the slowing of traffic on the A259 due to roundabout removal creates a £17.042 million penalty (a -£17m ‘disbenefit’). Regardless of how this figure is calculated the fact that the council accepts significant impact on journey time reinforces our concern over stop-start traffic backed up the A259 and the increased pollution that will result. Moreover, when traffic congestion becomes a regular feature drivers will attempt to mitigate this by utilising ‘rat-run’ routes through residential streets north of the A259. In these circumstances the council cannot simply sweep aside the need for traffic modelling with reference to its faith in “technologically advanced traffic signal equipment”.

Conclusions

In our brief face-to-face discussions with local ward councillors, with Cllr’s Platts and Pissaradou and with senior officers one thing keeps rising to the fore. It is as if an undeclared strategic objective of VG3 takes on board the likelihood of increased congestion, increased air pollution and even (ironically) increased collision casualties in order to condemn motor vehicles and nudge drivers to abandon. When confronted with public concerns over the risks posed by increasing levels of NO2 and PM2.5 we encounter a typical reaction which short-cuts our demand for proper impact analysis with references the ‘climate emergency’, becoming zero carbon by 2030 and a creating a car-free city centre as soon as possible. As laudable – arguably vital - as these aims may be it is, in our view, essential that any short term objective which entails making driving in the city so miserable that less people do it becomes fully declared. Many of our members live immediately east of the Valley Gardens corridor and have a right to know if Phase 3 amounts to a roll of the dice on air pollution. The scheme should not go ahead without answering the question ***How much worse will the air we breath become?*** And, if any deterioration phase is temporary ***How long will this phase be – years? Decades?***

The points we make above debunk BHCC claims over collision/casualty rates and question the seeming indifference to the risk of deteriorating air quality. We urge all involved in the progression of the 'preferred option' for Valley Gardens Phase 3 to raise the level of transparent scrutiny before this scheme. Members of Valley Gardens Forum are in full support of the overall vision for the redevelopment of this area. It troubles us that – with Phases 1 and 2 underway (and officers with some elected members determined to brush aside criticism of the final phase as though this were a race to the finish line) – we might end up with yet another failed development blighting the city for decades to come.

It really does feel as though the council – principally council officers – are acting as a 'sales team' to drive through a preferred outcome. Last week, in the local press, the council contributed to a piece headlined [Roundabout's safety record one of the UK's worst](#) with this quote:

*A council spokeswoman said: "The council has already looked at five years' worth of data to assess the junction in a robust way. [] **"The most recent data from the Department for Transport for a 12-month period further demonstrates the need to proceed with the project as a matter of urgency".*** (our emphasis).

A few days later Cllr Pete West reinforced this message in a [letter](#) to The Argus: ***"Just last week, the Department of Transport released figures showing that this roundabout ranks among the top 20 most dangerous in the UK".*** Today a DfT official told us: ***"The Department for Transport does not have a leaderboard for the most dangerous roundabouts. You may need to discuss the methods with the analytics team who made this [assertion]"***.

Cllr Lee Wares today [responded](#) by reminding Cllr West that better solutions need ***"proper analysis before the rhetoric"*** before pointing out ***"Thirteen casualties from 11 accidents in the context of 18 and a quarter million vehicles of all types using the roundabout each year equates to a ratio of 0.0000007 per cent"*** - a far better outcome than other junctions in the city centre.

BHCC's attempts to sell VG3 as a road safety imperative before all else is discredited. Advocates for the Council's scheme also openly declare there will be "winners and losers". The winning identified as a 5% increase in cycling through the area - good in itself, but nowhere near what should be achievable with a better thought out proposal. The biggest 'losers' will be those who continue to suffer the ill effects of the city's poorly managed road infrastructure. The consistent disregard for air quality and public health shames those pursuing a narrowly-held political agenda to constrict vehicle movement throughout the city centre.

Valley Gardens Forum CIC a public statement about Valley Gardens Phase 3 - 100919

The Valley Gardens Forum call for Government funding for the Brighton & Hove City Council's controversial city centre plan to be withheld.

The Valley Gardens Forum is a broad-based group of residents, private & public sector workers, health professionals, heritage groups and business leaders who share grave concerns that things have gone seriously wrong with the development and planning of Brighton city centre's 'Valley Gardens' scheme. The Forum includes many of those who drive the city's unique economy – particularly in tourism, events, transport, leisure and independent retail. We have great ideas for the future of our city - but Brighton & Hove City Council persists in refusing to meaningfully consult or engage with us.

Since 2014 and as recently as January 2018, the design concepts for Phase 3 of the scheme were widely known and supported. This included remodelling the seafront roundabout and creating a two-way dedicated bus and public transport route on the west side of the Old Steine with private traffic to the east side - a point clearly endorsed in an [independent report](#) on the business case commissioned by Coast 2 Capital, a Government 'Local Enterprise Partnership' or LEP, and the project's proposed funding partner.

In October 2018 a radically different vision emerged as a single 'preferred option' - the only plan released for rushed and much-criticised [consultation](#). All vehicle traffic was to be merged and funnelled through the east with a signalised seafront junction to replace the roundabout at the point where the city's two most important roads intersect. Local business owners and residents independently started to raise issues with their ward Councillors.

- The implications for air quality caused on the east side of the scheme
- Cutting off Kemptown and the east from the rest of the city centre
- Dispersal of traffic into Kemptown's residential streets.
- Loss of a dedicated public transport corridor and the city's natural transport hub
- Loss of the essential flexibility of movement at roundabout
- Compromising logistics and emergency access throughout the city centre
- Making Madeira Drive one-way and creating a dangerous junction at Duke's Mound.

The council has continuously relied on accident statistics at the roundabout to gain public support but has failed to put this into proper context. There have been approximately 91m journeys at this junction over the five-year statistic period which equates to 50K vehicles a day using the roundabout. Whilst any accident is regrettable the percentage of recorded events pro rata is miniscule and when put into full context the statistics in fact proves the opposite of what

the council are claiming to justify the roundabout's removal. It's also important to note that Mott Macdonald's technical paper commissioned by BHCC for Valley Gardens Phase 3 shows a redesigned seafront roundabout preventing over 902 accidents over 60 years in contrast with just 574 for their 'preferred' T junction.

By December, the Valley Gardens Forum had been constituted to engage with the administration in a coordinated and constructive way. We have, over the last ten months, patiently submitted questions and deputations to Council Committees, Freedom of Information and the more powerful Environmental Information Regulation requests - as well as forceful solicitors' letters. Senior Officers and the Administration have made no attempt to address genuine concerns and requested background information has been consistently withheld. In recent months, after threats of legal action, BHCC has set up meetings that are recorded as 'stakeholder consultation'. In all cases this interaction has consisted of BHCC telling objectors the plan will not change.

The Forum has maintained a constructive dialogue with the LEP throughout our dispute with BHCC. The LEP has consistently directed BHCC to engage with Valley Gardens Forum and this has not happened. The LEP's Investment Committee had formulated certain pre-conditions, following a conference call meeting on 31st January 2019. At the Environment, Transport and Sustainability Committee of 7th February, the [letter](#) containing the LEP's funding conditions was withheld from the elected members before the Special Meeting voted final approval for the scheme.

After the Forum had circulated the LEP's letter of conditions to opposition councillors, our lawyer wrote to BHCC suggesting Alternative Dispute Resolution as a constructive route to avoid unnecessary and expensive litigation. We were pleased to [hear](#) from BHCC on the 22nd of May initially welcoming a proposal to resolve our differences through the ADR process. An initial, independently-moderated, meeting between the Forum and Council Officers on July 2nd produced a list of ten action points agreed between the parties witnessed by our respective legal advisers. At this point we were given an assurance by BHCC that they should be in a position to complete those tasks and address the issues raised within two weeks. By the middle of July, the Forum had carried out everything requested of it, but BHCC had not responded - save for the joint statement in which we "committed to engaging constructively with each other". Nevertheless BHCC [wrote](#) to the LEP on the 17th of July to unilaterally assert that ***"mediation with the Forum is now complete."*** Coincidentally the Forum [contacted](#) the LEP on the same day to note the lack of response from BHCC.

On the same day opposition Cllr Lee Wares' wrote a detailed [submission](#) requesting an audit regarding matters around VG3 at Audit & Standards Committee on the 23rd of July. A three-party agreement resulted in the Committee approving the ongoing investigation into the

Valley Gardens project by the council's Internal Audit team - extensively reported by [Brighton & Hove News](#), [Brighton & Hove Independent](#) and [The Argus](#). BHCC's Monitoring Officer has stated that two months on, this report is incomplete and will not be submitted to the Audit and Standards committee on 17th September but at the next meeting on the 14th of January 2020. Until the audit has been concluded, we question how the Monitoring Officer can continue to give the LEP assurances that the process is sound.

On the 24th of August, political concern about the potentially damaging impact of BHCC's current design culminated in a Joint Press Statement from Lloyd Russell-Moyle, Labour and Co-operative MP for Brighton Kemptown, Conservative transport spokesperson Cllr. Lee Wares and Labour Chair of Licensing, Cllr. Jackie O'Quinn - stated ***"the present scheme risks creating more harm than good to the city. The three politicians also supported calls for the council to stop the project and rethink the proposal"***. Reported here: [Labour and Conservative politicians join forces to seek changes to Valley Gardens scheme](#)

It is important to re-state that this call to 'pause & rethink' has previously been made by members of all political parties in the city. On January 21st, Tom Druitt, Green Councillor and CEO of the Big Lemon Bus Company was the lead signatory in a tripartite letter to BHCC - also signed by members of the Forum calling that the ***"City Council withdraws the business case submitted to the Local Enterprise Partnership with the current design and enters into meaningful engagement with residents and traders through the Valley Gardens Forum and with other stakeholders such that the concerns over the current design proposals are properly addressed with amended designs and business case being subsequently prepared for further consultation"***.

The implications for air quality caused on the east side of the scheme have not been considered at all. BHCC's [Stage 2 report](#) casually states ***"no air or noise modelling has been undertaken; however it is anticipated that the creation of a larger area of public open space with additional tree planting will have environmental benefits."***

The LEP's independent assessment [report](#) considers that the scheme should be viewed as a whole and that the Phase 3 element is critical to allow the benefits of Phases 1 & 2 to be realised. And as Phases 1 & 2 are currently delivering on site their recommendation is therefore that the requested LEP funding is approved for the Phase 3 project. We assert that the current approved plan for Phase 3 differs significantly from that in place when the 1&2 approval was granted - and that the reassignment of traffic routes proposed throws up significant and expensive complications. This includes drastically compromising tourist traffic within Madeira Drive and displacing HGV and PSV traffic to the east of the city into narrow

streets and residential areas. Replacing the roundabout with a T-junction severely restricts the flexibility of essential vehicle movement around the city. BHCC's own limited consultation showed 65% are in favour of retaining a remodelled roundabout. We believe that this re-imagined Phase 3 plan creates significant issues of concern out of scope of this scheme and in fact undermines the mobility concepts inherent in the approval of Phases 1 & 2.

As the Valley Gardens scheme is a once in a generation opportunity to improve the centre of our city it is essential it is done the right way with the widest support possible. The risk of damaging the finely balanced city economy is not properly considered in the Business Case. For example, 36% of out of town visitors arrive in Brighton in a private vehicle - spending around £300m (out of a total of £837m) per annum. Over 21,000 local jobs are supported by the tourist economy. Assuming a modest 5% drop in visitor numbers as an unintended consequence of reducing vehicle numbers that would result in a £15m annual hit to the economy with job losses inevitable. The Valley Gardens Forum consider the proposed plan has the potential to cause millions of pounds of harm to the city economy.

Members of the Valley Gardens Forum appreciate the LEP's patience in considering our representations amongst many. At our most recent Board and members meeting on the 21st of August, the following position was agreed:

- **At all stages we have genuinely hoped that it would be possible to resolve matters with BHCC ahead of any final deadline for the drawdown of the Government grant.**
- **However, if that deadline is now upon us, It is with great regret that the Valley Gardens Forum representing a broad spectrum of residents, workers, health & education professionals and employers large and small, taxi firms, bus users and smaller bus operators - as much as 20% of the City's unique economy - call for LGF funding for VG3 to be withheld and potentially withdrawn.**

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Appendix A - Valley Gardens Forum CIC assessment of the BHCC Business Case for VG3 - 100919

Appendix B - Valley Gardens Forum CIC assessment of the BHCC accident data and air quality for VG3 - 100919



To:

Mr Jonathan Sharrock
Chief Executive
Coast to Capital LEP

Dated: 07/October/2019

Dear Jonathan,

Sub: Valley Gardens Phase 3 Transport Business Case

In May 2019 I delivered to you my independent assessment of the Valley gardens Phase 3 scheme Transport Business Case produced by Brighton & Hove City Council (BHCC). The review concluded that the business case is robust and fit for purpose. The scheme however only delivered a BCR of 1.2:1, which meant the scheme delivered Low Value for Money (VfM) as per the DfT's criteria for judging proposals.

Following instruction from Coast to Capital, I have conducted a review of the Valley Gardens Phase 3 scheme and the 'exceptional circumstances' that can justify investment in the scheme via LGF funding, as set out below. My review does seem to indicate that it is a unique scheme which forms part of the wider Valley Gardens redevelopment project, and that there are exceptional circumstances to justify the funding of this scheme even though it does not deliver a High VfM. This letter seeks to set out these exceptional circumstances, which are outlined below:

1. As stated in my independent assessment report, the Valley Gardens scheme Phases 1 & 2 delivers a BCR of 4.148, and economic benefits of £38.787 million over the project life. Though not explicitly stated in the Phases 1 & 2 business case, for the full benefits of the entire Valley Gardens scheme to be realised, it is essential that all 3 phases are funded and completed. The anticipated outcomes for Valley Gardens Phases 1 & 2 are significantly predicated on the delivery of a coherent Phase 3 scheme. C2C LEP has already funded Phases 1 & 2, and not providing funding for Phase 3 will mean that the scheme will remain incomplete and that the entire benefits will not be realised. Though this has not been formally calculated, it is estimated that the whole Valley Gardens scheme (Phases 1, 2 and 3) will deliver a BCR of around 2.5, which makes it a the High VfM project. The only reason the scheme was split into Phases 1 & 2 and Phase 3 was to enable the splitting of funding allocation.
2. The Valley Gardens scheme is expected to deliver significant sustainable transport benefits, by enhancing cycling and walking facilities between the north of the city and the sea front.

For these benefits to be fully delivered, the sustainable transport infrastructure near the sea front need to be improved, and these are delivered only in Phase 3.

3. Phase 3 also significantly improves accessibility to the sea front for the mobility impaired, by removing existing railings and building accessible cycling tracks.
4. Phase 3 also delivers significant road safety benefits estimated at £11 million over the project life. This is through the proposed junction improvements. The bulk of the current safety issues around collisions and accidents occur at the southern end of Valley Gardens, improvements to which will only be delivered in Phase 3.
5. The Valley Gardens scheme is expected to deliver growth of Knowledge Intensive Business Services (KIBS), which is seen as one of the main potential growth sectors in Brighton and Hove, delivering jobs and investment. Without Phase 3, the KIBS sector growth will not be fully delivered.

Given these reasons and the unique nature of the scheme, which needs to be looked at as an integral part of the Valley Gardens project as a whole, the independent reviewer believes that there are exceptional circumstances to justify LEP funding for the Valley Gardens Phase 3 scheme, even though it only delivers a Low VfM, rather than High.

Vidhi Mohan
Independent Reviewer



Department
for Transport

Department for Transport
Great Minster House
33 Horseferry Road
London
SW1P 4DR
Tel: 0300 330 3000

Web Site: www.gov.uk/dft

Tony Middleton
Chief Operating Officer

DATE 20 September 2019

Coast to Capital
Pacific House
Hazleton Avenue
Three Bridges
Crawley
RH10 1EX

Dear Tony,

Thank you for your letter of 16th September concerning the Valley Gardens scheme that was discussed at the Coast to Capital Investment Committee on 13th September.

You raised a concern that funding a project with a VFM of lower than “high” may contravene the National Assurance Framework.

I’ve copied the relevant section from the National Assurance Framework below:

“We would like to ensure that the value for money of major transport investment is maintained and therefore would expect that MCAs and LEPs would only in exceptional circumstances agree to fund schemes with lower than “high” value for money.

If MCAs and LEPs wish to retain the flexibility to fund schemes assessed at less than “high” value for money, the assurance framework should clearly set out the circumstances under which funding for such schemes would be considered, and outline any additional scrutiny or conditions that would apply.

Minimum requirements

MCAs and LEPs must either: only approve schemes that offer at least “high” value for money, as assessed using DfT guidance, or; set out the limited circumstances under which schemes offering lower than “high” value for money would be considered.

Schemes must be assessed against the relevant thresholds at each approval stage.”

Schemes assessed at lower than “high” VFM can be approved in ‘exceptional circumstances’ It is expected that for these schemes additional scrutiny or conditions will be applied.

This does demonstrate that they are circumstances in which schemes with a VFM of lower than high can be approved. It is for the LEP to decide on how this criteria is applied.

Peter Duggan
Area Lead for South East

To: Jonathan Sharrock
Subject: RE: From Councillor Bridget Fishleigh

From: bridget fishleigh
Date: 8 September 2019 at 11:35:43 BST
To:
Cc: '

Subject: From Councillor Bridget Fishleigh

Dear Jonathan - letter attached. Text below.

We haven't spoken before. I was elected in May as Brighton & Hove's only independent councillor.

As such, I have no political axe to grind or legacy policies to defend.

I am dismayed that my colleagues at BHCC are pushing ahead with the third part of the Valley Gardens scheme despite the objections of thousands of residents and businesses.

It's all the more frustrating that two changes, keeping a seafront roundabout and a bus lane on the west of the Old Steine, would alleviate nearly all those concerns.

Therefore I am writing today to ask the LEP to withdraw its financial support for the Valley Gardens project.

As I'm sure you have mounds of paperwork about this contentious issue, I will keep this letter as short as I can...

Kempton and East Brighton residents are already worried about air quality and economic impacts on our side of the city. BHCC's most recent plan states openly that "no air or noise modelling has been undertaken" for the Valley Gardens scheme.

As the official figures show that existing air pollution is at an illegal level all over the city, why hasn't this simple and obvious research been carried out?

In the area I represent, the implementation of Valley Gardens Phase 3 requires an entirely new junction on the A259 at Dukes Mound, to the east of the city centre.

BHCC Officers have told me that there are currently no plans and no modeling for this junction even though it will have thousands of cars traversing it every day. This new junction will be in an area where traffic is currently free-flowing with no congestion.

With the removal of the roundabout by the aquarium, the new junction will be the route for all traffic leaving Madeira Drive. Therefore more congestion and pollution will be created at this junction, with knock-on effects across the east of the city as people create their own rat runs.

Cllr Anne Pissaridou has stated that there is no intention to involve the community as *"The proposed changes to the junction at Duke's Mound, on Madeira Drive and the A259 Marine Parade are expected to take place within the highway boundary. As such, there will be no statutory requirement for consultation upon the design of the changes"*.

This doesn't seem right to me. I wonder how you feel about it...?

Jonathan - BHCC say that Valley Gardens is about easing congestion and reducing pollution in the immediate Valley Gardens area - however, this congestion and pollution will simply be displaced and concentrated to the east.

I really hope that you will reconsider the LEP's support for this controversial scheme, which I firmly believe will do more harm than good. I look forward to hearing from you.

Best wishes

Bridget Fishleigh

Brighton & Hove's Only Independent Councillor

TO: The C2C Local Enterprise Partnership, Pacific House.

FAO: Ms. Julie Kapsalis - Acting Interim Chair of the C2C Investment Committee, and Investment Cttee Members x6 ← 1
COPIES: Mr. Tim Wates - Chairman, C2C LEP, Pacific House
Ms. Jo Negrini - LB Croydon CEO (as the 'Single Accountable Body' for governance of the C2C LEP),

The Rt Hon Sajid Javid MP, Chancellor of the Exchequer (for Treasury 'Green Book' issues)

The Rt Hon Grant Shapps MP, Secretary of State for Transport, (for BCR (Benefit/Cost Ratio, + A23 to A259 Link-to-Strategic-Network issues etc)

FROM:

DATE: 10 September, 2019

Dear Ms. Kapsalis, and C2C LEP Investment Committee Members x6;

re: Agenda item 6 For 13-9-2019 - Valley Gardens, Brighton

Having been able to read the LEP Officers Report for your Committee's meeting scheduled for 13-9-19, as published on the LEP website, I write today to respectfully request you to amend the Recommendations of your officers; by casting a majority vote to DEFER the proposed decision (to recommend that the LEP's Board awards £6m of LGF Local Growth Fund money to Brighton & Hove City Council ('BHCC' herein) for its 'Valley Gardens Phase 3' Transport Scheme), for at least the reasons which follow.

Or, in the alternative, on 13-9-19, that your Committee votes to recommend to the C2C LEP Board that NO AWARD of LGF money be made to BHCC for its VG3 Transport Scheme, on at least the grounds that BHCC's Funding Application is for a scheme which does not sufficiently meet the eligibility criteria for the award of LGF funding for 'Transport Schemes' (further details are offered from paragraph S.1 on page 4 of this present letter).

HEADLINE GROUNDS FOR DEFERRAL, or FOR REFUSAL

- 1: Consultation: It appears that the C2C LEP itself has not yet adequately met the principles of quasi-statutory the requirements for community consultation contained in the current 'National Local Growth Assurance Framework' for Local Enterprise Partnerships, and it will take several months for the LEP to remedy this lacune (amplification is offered from para S.2 on page 5 herein).

- 2: EIA Issues: Under the provisions of at least EU Directive 2011/92/EU (as amended by 2014/52/EU) it is clear that the prior highway and landscaping/hardscaping works of Valley Gardens Phase 1 and Phase 2 (for which LGF funding was awarded) must be combined with those now proposed for Valley Gardens Phase 3 (also 'VG3' herein). When so combined the total land area significantly exceeds the threshold for Annexes II and III EIA ('Environmental Impact Assessment'). BHCC will thus need several months in which to attempt to fully meet all of its EIA obligations (one doubts if the VG1 + VG2 + VG3 projects can fully meet those EIA obligations; due at least to inadequate mitigation for the adverse effects of those three linked projects, and to insufficient grounds for any 'Necessity' to create such adverse

TO: The C2C Local Enterprise Partnership,

FAO: Ms. Julie Kapsalis - Acting Interim Chair of the C2C Investment Committee, and Investment Cttee Members x6
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FROM:

DATE: 10 September, 2019

re: C2C Agenda item 6 For 13-9-2019 - Valley Gardens, Brighton

environmental impacts). To date BHCC has attempted to evade formal EIA compliance, by 'Salami-slicing' its Valley Gardens projects into three 'Phases', and into two consent regimes (the Highways Act 1980, and the Town and Country Planning Acts). It is respectfully contended that the LEP may not award LGF public funds to support the apparently unlawful intentions of BHCC as a public body (as a matter of principle from HMT's 'Green Book').

- 3: Highways and BCR Issues: It is really only with the putting into service, on 2-9-19, of most of the highway changes of the VG1 and VG2 projects that the general public have discovered a truth unpublicised since the inception of the Valley Gardens Project in 2014 (or earlier?). This truth is that general traffic capacity on the important A23 Regional Network route has been cut; from two lanes north-bound and two lanes south-bound, to only one lane in each direction. This capacity reduction is exacerbated by a similar reduction to just one lane south-bound at the heavily-used Dyke Road link from the A27 trunk road feeding into the City at the Seven Dials roundabout.

- 3.1: It is respectfully contended that LGF funding for 'Transport Schemes' (a formal Government definition) should not be awarded for the reduction of A-class highway capacity unless adequate alternatives to compensate for a proposed reduction of highway capacity are in place and operating satisfactorily. Or, put another way, it appears to be an inversion (or perversion?) of all that LGF money is intended to achieve, in the context of these Valley Gardens projects having been unmasked as deliberately hampering legitimate economic activity by the reduction of traffic capacity on a significant A-class regional highway network (A23 + A259), with no alternative being in place, nor any even being proposed by BHCC!

- 3.2: Those familiar with the City of Brighton and Hove, such as local taxi drivers, can easily see five or more desirable alternative routes to invest in; each of which would provide obvious economic and environmental benefits. A bitter irony is that the implementation of such alternative routes would probably reduce traffic through Valley Gardens to such an extent that there would be no need to award LGF funding for works to deliberately throttle traffic movements along that A23 north-south corridor, and along the east-west A259 coastal road! Which is to say: the C2C LEP should not have awarded LGF money for VG1 and VG2 'Vanity Projects' (on a set of false propositions from BHCC)

TO: The C2C Local Enterprise Partnership,

FAO: Ms. Julie Kapsalis - Acting Interim Chair of the C2C Investment Committee, and Investment Cttee Members x6
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FROM:

DATE: 10 September, 2019

re: C2C Agenda item 6 For 13-9-2019 - Valley Gardens, Brighton

nor should the C2C LEP award LGF money to BHCC's VG3 Application (inter alia on the grounds that north-south traffic flow reduction has already been implemented in VG1 and VG2, whereby it is a mis-application of taxpayers money to fund highway changes in VG3 which duplicate the traffic reduction of VG1 and VG2 on the A23 north-south route, and add choking of traffic flows at the busy A23/A259 junction (by the proposed conversion of a free-flow roundabout into a T-junction with traffic-lights); all of which will create significant economic and environmental disbenefits - as the exact opposite of Government and LGF policy, surely?).

- 4: Local Government Finance etc: it is fairly well-known that Local Authorities require revenue funding to firstly finance statutory duties (such as the provision of social care), with whatever remains thereafter being available for so-called 'Discretionary spending'. The City of Brighton and Hove is already well-provided with traditional parks and play-grounds. Regrettably, from simple visual observation, the quality of these facilities is in steady decline, because they have to be maintained from BHCC's 'Discretionary' money; of which, for about a decade, BHCC has been complaining, there is not enough.

- 4.1: It thus appears perverse for the C2C LEP to have awarded LGF capital money for BHCC to upgrade a reasonably adequate set of Valley Gardens grounds into an over-elaborate additional 'City Park', which BHCC has little prospect of being able to afford the adequate upkeep of? Often overlooked (but enjoyed by the tens of thousands who flock to it in good weather), is the 'Recreational space' provided by about 5km of beach foreshore, from Brighton Marina to Hove Lagoon.

- 4.2: With all of these spaces and facilities available to the relatively low number of people residing in or near the Valley Gardens area, can the BCR ('Benefit to Cost Ratio') for an upgraded 'Valley Gardens Park' be other than negative, especially when considering the unpleasantness to park users of traffic flows along both the east and the west sides of such a park? And with regard to extra open-air 'Event Space' (if actually needed?); this is easily and economically created by leveling the shingle on the beach above the high-water mark, by laying a bed of appropriate paving sand or grit, and by temporarily paving that area with 2m x 2m heavy-duty concrete tiles, usually called 'Stelcon slabs'. The footfall on the beach, and thus the economic return, is likely to be far higher than BHCC's attempts

TO: The C2C Local Enterprise Partnership,

FAO: Ms. Julie Kapsalis - Acting Interim Chair of the C2C Investment Committee, and Investment Cttee Members x6
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Ms. Jo Negrini - LB Croydon CEO (as the 'Single Accountable Body' for governance of the C2C LEP)
The Rt Hon Sajid Javid MP, Chancellor of the Exchequer (for Treasury 'Green Book' issues)
The Rt Hon Grant Shapps MP, Secretary of State for Transport, (for BCR (Benefit/Cost Ratio, + A23 to A259 Link-to-Strategic-Network issues etc)

FROM:

DATE: 10 September, 2019

re: C2C Agenda item 6 For 13-9-2019 - Valley Gardens. Brighton

to bring consumer spending into the very low-key retail presence of Valley Gardens, by the probably futile injection of many millions of pounds of taxpayers LGF money into the Valley Gardens area which relatively few people feel any need to tarry in (compared to the interest and the delights of the seafront and the pier on a nice day, and an almost 24-hour economy at weekends).

- 4.3: It is thus respectfully submitted that any potential economic gain from investing £6m of LGF taxpayers money into a VG3 'Transport Scheme' (being one consciously intended to hinder and to deter legitimate traffic flows!) looks to be so marginal, indeed the proposals, once submitted to rigorous independent analysis, may be assessed as a dis-benefit, so that the C2C LEP should not award LGF money to this ill-conceived VG3 application (especially when BHCC should be proposing and bringing forward other transport schemes which can bring clear and indisputable economic and environmental benefits to our City, as well as leading to future reductions in traffic-flows through the central Brighton area!).

SUPPLEMENTARY AMPLIFICATIONS and SUBMISSIONS

- S.1: Transport Scheme DfT Ineligibility (from page 1 above): As indicated on page 1 of your Officers Report for 13-9-19, at Recommendation 4, BHCC's proposals are already rated under the complex DfT assessment structure for investment in highways as being 'Poor Value for Money' (which, I believe, means an unacceptably low BCR (Benefit to Cost Ratio) figure?). I believe this evaluation is likely to have been arrived at without due consideration of the throttling of traffic flows on other key highway routes into and through Brighton, such as the A270 Lewes Road (2014-15) and the important Dyke Road connection from the A27 trunk road network (2019). No alternatives to these reductions of highway capacity have yet been proposed by BHCC, even though there is irrefutable evidence of congestion and rat-running continuing to be caused by this lack of alternative capacity. Logic therefore suggests that the additional throttling of legitimate vehicle movements on the A23 and A259, as currently proposed by BHCC for their VG3 scheme, if and when a full cumulative analysis of traffic flow reduction is conducted, will result in an even lower BCR score being revealed.

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FROM:

DATE: 10 September, 2019

re: C2C Agenda item 6 For 13-9-2019 - Valley Gardens, Brighton

- S.2: LEP Consultation Duties (from para 1 on p. 1):
 The 'National Local Growth Assurance Framework for LEPs indicates, at paragraph 12 on page 55, that LEPs should themselves conduct 'External Consultation' on applications for funding from the public purse. It also indicates that as part of this the 'Business Case' for an Application must be published on the LEP's website for at least a period of 3 months.

- S.2.1: Apparently the documents associated with Agenda item 6 for your Investment Committee meeting of 13-9-19 were only published on the LEP website around 4-9-19, and without inclusion of all of the appendices to BHCC's Business Case. Thus the period of just 7 days, between then and the LEP's deadline of 10-9-19 for responses, is grossly inadequate, given the large volume and complexity of the documentation presently on the LEP website. Most lay-persons absolutely need the 3 months required by the National Framework; in order to seek pro-bono advice, especially on the complexities of DfT and HM Treasury requirements, and on technical and environmental aspects.

- S.2.2: In the context of LEPs being required to consult directly with potentially affected members of the public, in addition to the forms of representation implied by the composition of the voting membership of a LEP, it is respectfully contended that the Framework creates a quasi-statutory obligation for LEPs to consult adequately. Indeed, HM Treasury's 'Green Book' quite naturally expects that no public funds be disbursed without robust prospects of a 'Value for Money' outcome being achieved, whereby prior canvassing of the views of those likely to be impacted by a proposed spend are considered to be essential in informing whatever decision is ultimately made.

- S.2.3: In this context it is thus contended that the extensive guidance on consultation by public bodies, given by the Supreme Court, in the case of *R (oao Moseley) v LB Haringey* [2014] UKSC 56, should be followed by the C2C LEP, but it has not been adequately followed so far. This appears to imply that it would be unlawful for the C2C LEP to approve any funding for BHCC's Valley Gardens Phase 3 'Transport Scheme' until a date being at least 3 calendar months after the day on which the LEP has itself adequately complied with all conditions for holding an adequate public consultation.

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FROM:

DATE: 10 September, 2019

re: C2C Agenda item 6 For 13-9-2019 - Valley Gardens, Brighton

- S.2.4: An incomplete list of the LEP's failings to date would indicate:

- No Public Notice in a Brighton free daily or weekly newspaper, nor on the external notice-boards of the City's three Town Halls, nor in the 12 or so City libraries.
- No indications on the Home Page of the C2C LEP website of any issues open for public consultation (the 'Consultation' tab merely leads to the LEP's responses to consultations of other bodies which it has made!)
- No announcement by the LEP on the online 'City Consultation Portal' operated by BHCC, but apparently open without charge to any public body wishing to consult the public of Brighton & Hove.
- No direct mailing by the LEP to the relatively small number (in the low hundreds?) of residents and businesses facing on to the VG3 area.

- S.2.5: For the avoidance of doubt I now herewith formally request that the C2C LEP does not award any taxpayers money to BHCC for any aspect of BHCC's Valley Gardens Phase 3 'Transport Scheme' until at least after the C2C LEP has fully-complied with all the requirements of an adequate public consultation.

- S.2.6: Please additionally note that I consider that the LEP must conduct its own consultation, without putting any reliance on what BHCC might say BHCC has already done. In particular I note that BHCC's 'Consultation' on an only partially-designed VG3 scheme in the Autumn of 2018 is/was fatally-flawed, due to the ambiguity of the leading questions being phrased in 'Motherhood and Apple-pie' terms; whereby respondents were unable to know whether, for example, 'Improved cycling facilities' related to something they'd like (who wouldn't?); or something actually being proposed and, if the latter, what were the specifics being offered by BHCC, and at what price and at what possible disadvantage to others? Responses criticising this 'rigged consultation' were not included in the subsequent Officers Report to BHCC's ETS Committee!

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FROM:

DATE: 10 September, 2019

re: C2C Agenda item 6 For 13-9-2019 - Valley Gardens, Brighton

- C.1: Conclusions: Thankyou, Ms. Kapsalis as Chair, and Ms. Dukes; Ms. Goldsmith; Mr. Kemp; Mr. La Rooy; Ms. Shahul-Hameed; and Mr. Sharrock, as designated members of the C2C Lep Investment Committee meeting scheduled for Friday, 13-9-2019, for having read this far. I thus respectfully suggest and request that a majority of you vote to amend the five 'Recommendations' of your Officers Report to read along the following lines:

1. *"Consider the information ..."*

As the 30 minutes allocated for debate seems very little for a f6m item with many complexities the following is suggested:

1. *Adjourn determination of this Agenda Item 6 to a future Investment Committee meeting to be convened solely for consideration of this item (unless made redundant by adoption of any following Recommendations).*

2. *"Confirm whether the conditions precedent have been met"*

Given the lack of documentary material from BHCC to evidence why it asserts that they have been met, in the face of strong evidence from others that they have not been met, it is suggested this Recommendation be amended to read:

2. *The Applicant be requested to provide documentary evidence to support its assertions of compliance with all conditions precedent, and in particular material with which the Committee can evaluate assertions to the contrary from the Valley Gardens Forum, and from any other respondents.*

3. *"Subject to Recommendation 4 recommend to the Board....."*

Should a majority of the Committee not agree to defer consideration of this Agenda item 6 to a future meeting, as proposed above as an amended Recommendation 1, then the following amendment is proposed:

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re: C2C Agenda item 6 For 13-9-2019 - Valley Gardens, Brighton

3. *Recommend to the Board that the allocation of £6m of LGF funding to Brighton & Hove City Council for a Valley Gardens Phase 3 'Transport Scheme' be withdrawn, and that the Applicant be invited to apply to the LEP for an award of up to £1.5m for a simplified scheme with the following key aspects:*

3.1. *Retention of the A23/A259 junction as a roundabout.*

3.2. *Re-instatement of the southbound bus-stop to the west side of the War Memorial (to better align with the dedicated west-side routing of public transport in VG1 and VG2).*

3.3. *Development of a cycle-track, from the southern end of VG2 through the central spine of VG3 and into Pool Valley leading to a new cyclists crossing over the A259 to the existing seafront South Coast Cycle Network route.*

4. *"Note that paragraph 7 of Annex O . . ."*

In the context of the amendments and actions proposed above for Recommendations 1 to 3 it is suggested that a majority of the Committee agree to delete the closing sentence which commences: "If the Committee are minded to recommend approval . . ."

5. *"If a funding recommendation is agreed . . ."*

No amendment to this standard(?) clause is proposed.

- C.2: Supplementary conclusion: As an indication of the extreme care needing to be taken in only spending taxpayers money for positive outcomes (as expressed by at least the content of HM Treasury's 'Green Book') I cite the example of Brighton's i360 viewing tower, now probably 'Trading whilst insolvent'). Naturally I recognise that repayment of the £4m 'Loan' from the C2C LEP is guaranteed by BHCC but, with the LEP having many business-persons among its voting membership, this loan should have been refused on at least the following considerations:

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FROM:

DATE: 10 September, 2019

re: C2C Agenda item 6 For 13-9-2019 - Valley Gardens, Brighton

- C.2.1: Brighton's Royal Pavilion has been diligently promoted by Brighton Corporation (now BHCC) as a tourist attraction since at least the 1920s. Globally known, and really worth a visit, its number of visitors has stabilised at around 300,000 per annum. To have expected a viewing tower, whose height is far below that of the world's ten tallest, and whose tickets are charged at a similar price-point to the very special Royal Pavilion, to exceed that established volume of visitors was and is ludicrous.
- C.2.2: The i360 was a prototype with all the one-off design and tooling costs associated therewith. It has a maximum practicable throughput of about 400 passengers per hour. The entire project has a published capital cost of £52m. A proven off-the-shelf commercial product (a Gyrotower 1300 of a similar height, and which also revolves) has an advertised throughput of 1300 passengers per hour. One of these would have had an installed cost (including foundations) of about £9m. As the i360 is actually a passenger lift subject to stringent safety regulations, and constructed from heavy-wall (about 70mm?) welded steel tubular 'cans', and operating in a maritime environment, it will require costly inspection and maintenance on a regular basis. All of which is to say that almost every voting member of the LEP could have seen for themselves that the i360 was a financially unviable 'Vanity Project' in which the LEP should not have participated; just as the LEP should not now participate in BHCC's current 'Vanity Project' for Valley Gardens Phase 3 (or perhaps only to a limited extent in a much simplified version thereof?).

Thanking you all for whatever consideration you have been able to give to the submissions herein, and to all other input from those who travel in or through the City of Brighton and Hove who are opposed to all or part of the current proposals of Brighton & Hove City Council for a Valley Gardens 'Transport Scheme', I remain,

yours sincerely,

Meeting:	Coast to Capital Board Meeting
Date:	Thursday 17 th October 2019
Report Title:	Local Growth Fund Consent Paper
Report by:	Cali Gasson
Item No:	5b)
Part:	B (Confidential)

Recommendation:

- 1- The Board is asked to **approve** recommendations following the Investment Committee that took place on the 13th September 2019.
 - 2- The Board is also asked to **note** decisions taken at the Investment Committee on the 13th September 2019.
-

1. Context

The Board will be asked to note decisions made by the Investment Committee in relation to investment decisions up to £2million, project and output delivery, and risk management. The Board will be asked to approve recommendations in relation to investments over £2million, or potential funding withdrawals as part of the High Risk Monitoring Protocol.

Board members can raise questions against any item within the consent paper to the Chair of the Investment Committee (copied to the COO) no later than Wednesday 16th October 2019. The Board cannot overturn decisions made by the Investment Committee, but can ask for their re-consideration. Where comments are raised, the Board will formally discuss that particular item in the paper at the Board meeting.

Items approved or recommended by the Investment Committee that have had no previous Board approval will be held until the consent paper is considered at the next Board meeting. These processes are set out in more detail in the Coast to Capital Assurance Framework 2019.

2.0 Investment Committee Recommendations for Approval

The Investment Committee makes the following recommendations for the Board to Approve:

2.1 A29 Re-Alignment

The A29 Realignment scheme that was part of the original 2014 Strategic Economic Plan (SEP), submitted the Full Business Case for scrutiny by the Investment Committee in June 2019 (**Annex A**). At this meeting, the Committee saw a formal presentation and reviewed independent appraisal work that had been undertaken by both a transport expert, and Local Partnerships. This highlighted that the FBC was robust, with outcomes of strategic importance, and a Medium value for money. However, there is an in-ability to fully spend the earmarked funds by March 2021, specifically phase 2. It should also be noted that Central Government have also given full support of the LEP using its flexibilities on this scheme due to the strategic importance and high level of housing outputs.

The decision for approving the Project ultimately rests with the Board and the decision making and evaluation processes have been carried out in accordance with the general governance framework set out in part 3 of the Coast to Capital Assurance Framework. The process for reviewing the scheme has been undertaken in accordance with Annexes' O and P of Coast to Capital's Assurance Framework.

In accordance with Annex O in relation to the Transport Assessment it should be noted that a Value for Money assessment has been provided and reviewed by TisL (**Annex B**). This assessment provides that the chosen option is the best value of the given options, and represents *Medium Value for Money* in the DfT's value for money category. Board Members' attention is drawn to the final paragraph of section 7.0 which provides that:

"Only schemes that offer 'high' or 'very high' value for money as assessed using DfT guidance will be recommended for funding support."

DfT have confirmed that authority rests with the Board to agree a departure from the published Transport Assurance Framework, under exceptional circumstances, to approve schemes of medium value for money. The case for the existence of 'exceptional circumstances' is set out at **Annex C**.

For the reasons above and in light of the exceptional circumstances and wider economic benefits, the Investment Committee agreed at its September meeting to recommend the following to the Board;

To **approve** the award of £9.9million of Local Growth Funding for the delivery of phase 1 of the A29 Realignment Business Case.

To **agree** that Phase 2 of the A29 Business Case would have an earmarked allocation

for the remaining £2.4million should any future funding become available. This would be subject to conditions/funding criteria set by Government, and also from further scrutiny/appraisal of a detailed submission of Phase 2, to ensure delivery, total project funding is in place, and that a development partner is on board.

2.2 Brighton Valley Gardens Phase 3

The Investment Committee considered latest updates and information in relation to the Brighton Valley Gardens Phase 3 project, and will be making a number of recommendations to the Board as per Item 5a on the Agenda.

3.0 Investment Committee Decision to note

The following decisions were taken at the Investment Committee on the 13th September 2019, and are listed below to note;

3.1 LGF Ranked List and Funding Allocations

In July 2019 a new call for projects was launched to allocate the remaining £9.2million of Local Growth Funding (LGF), as per the LEP's requirement to fully draw-down all funding by March 2021.

On Friday 6th September, Investment Committee members saw presentations from 15 projects and their Full Business Cases (FBC), following a shortlist process conducted by the Senior Management Team against 35 Expressions of Interest. Each FBC was individually scored and evaluated, and average scores enabled the formation of a ranked list.

The Committee met again on Friday 13th September to review the ranked list, and in their delegated authority to award LGF funding over £2million **agreed** to fully fund projects that scored above 70%, and to partially fund (41%) projects that scored above 60%. This will see 11 x new projects being funded through the Local Growth Fund.

It was also **agreed** that the CEO of Coast to Capital can have delegated authority to determine the acceptable level of project outcomes with each delivery body that has been awarded partial funding.

The Investment Committee noted that the process had been well ran with acceptable due diligence being taken to include full appraisal of each business case by an independent consultant.

All project applicants to include those that have been awarded partial and full funding awards, have been contacted and informed of the decisions taken at Investment Committee. Coast to Capital are now in the process of drafting funding agreements, and any PR around funding awards will be embargoed until the Board have met in October 2019.

3.2 Claire & James House

Following a formal letter received from the CEO of Mole Valley District Council, the Investment Committee had a presentation from the CEO and the Executive Head of Service of MVDC, to demonstrate the change in project scope and the outcomes that will now be delivered,

The Committee felt that the wider Transform Leatherhead masterplan would deliver over and above the outcomes originally expected to be delivered through the Claire and James House funding agreement. For this reason, the Committee **agreed** that the change of scope on the Claire and James House project, is acceptable to retain the Local Growth Funding, and that a new funding agreement or Deed of Variation should be issued to contractually commit MVDC and to secure the wider outputs against transform leatherhead.

It was also agreed that the Coast to Capital CEO could have delegated authority to finalise any required conditions as part of a new funding agreement.

3.3 High Risk Report

3.3.1 A29 Re-Alignment

Following the discussion on the A29 Re-alignment and the recommendations to the Board to fund Phase 1, the Investment Committee **agreed** that the risk rating should be AMBER/RED, with close monitoring of the scheme until a funding agreement has been finalised.

3.3.2 Horley Business Park

The Investment Committee **agreed** that the risk rating should remain as AMBER/RED, with close monitoring of the scheme until a funding agreement has been finalised.

3.3.3 Blackrock

The Investment Committee **agreed** that the risk rating for the Blackrock project should remain as AMBER/RED, with an audit review to be undertaken in October to allow a greater discussion at the next Investment Committee.

3.3.4 Valley Gardens Phase 3

The Investment Committee agreed that the risk rating should remain as AMBER/RED, with further monitoring to be conducted on the scheme subject to the decision being taken at the October Board meeting.

3.3.5 Horizon Scanning

The Investment Committee noted the projects with potential to increase to higher risk over the project delivery period. It was agreed that the Investments Team would re-review all projects in detail and invite some Delivery Bodies to present at the next meeting.

4.0. Diversity Statement

There are no diversity implications for consideration regarding the decisions to note and recommendations set out in this paper.

5.0. Legal Statement

Representatives from the Accountable Body, to include the Deputy Monitoring Officer Sean Murphy, and Head of Finance Carli Foster were in attendance at the Investment Committee meeting on 21 June. The Accountable Body is content with the recommendations made at the meeting, as reflected within the consent paper.



To:

Mr Jonathan Sharrock
Chief Executive
Coast to Capital LEP

Dated: 08/October/2019

Dear Tony,

Sub: A29 Realignment Transport Business Case

In May 2019 I delivered to you my independent assessment of the A29 Realignment scheme Transport Business Case produced by West Sussex County Council (WSCC). The review concluded that the business case is robust and fit for purpose. The scheme however only delivered a BCR of 1.5:1, which meant the scheme delivered Medium Value for Money (VfM) as per the DfT's criteria for judging proposals.

Following instruction from Coast to Capital, I have conducted a review of the A29 Realignment scheme and its 'exceptional circumstances' that can justify investment in the scheme via LGF funding, as set out below. My review does seem to indicate that it is a unique scheme delivering unique benefits, and that there are exceptional circumstances to justify the funding of this scheme even though it does not deliver a High VfM. This letter seeks to set out these exceptional circumstances, which are outlined below:

1. WSCC plan to deliver over 4,000 badly needed houses at Barnham, Eastergate and Westergate; 600 of which are delivered with phase 1. This scheme will deliver road connectivity to these new homes. Without this connectivity these housing developments will not be viable and may never get built. Hence building the realigned A29 that connects these new developments is vital.
2. The A29 Realignment is expected to create around 3,600 jobs locally by 2031, while 200 direct jobs will be created during the construction phase. These are much needed jobs for the area, and their value has not been included in the BCR calculations.
3. The scheme will also deliver significant environmental benefits, the estimates of which have also not been included in the BCR calculations. These include reductions in noise, improved air quality, reduction in greenhouse gas emissions, and improved landscape and townscape. Further, the scheme will deliver improved pedestrian and cycle connections and provide new facilities, as well as enhanced bus services and facilities. With a renewed national

emphasis of carbon reductions, any scheme that encourages cycling and public transport use must be considered for funding.

4. Overall the scheme will improve connectivity and accessibility in the region (agglomeration benefits), which will help in improving labour supply and deliver local economic growth.

Given these reasons and the unique nature of the scheme, the independent reviewer believes that there are exceptional circumstances to justify LEP funding for the scheme, even though it only delivers a Medium VfM, rather than High.

Coast to Capital Local Enterprise Partnership

A29 Realignment

Independent Assessment Report

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Executive Summary

West Sussex County Council (WSCC) has put forward a business case for a new alignment of the A29 near Barnham. The scheme involves building a new 4.34km road to the east of Eastergate, Westergate and Woodgate villages. The scheme is expected to deliver significant benefits to the area including reduced journey times and safer journeys for all users, including cyclists and pedestrians.

The estimated total cost of the A29 Realignment scheme is £54.242 million, of which £11.650 (21%) is for Phase 1, and £42.593 million (79%) is for Phase 2. The total funding requested from C2C LEP under the LGF is £12.3 million. The applicant's share of the total capital costs (which includes developer contributions of £30 million) is well above C2C's requirement of at least 15% matched funding for transport projects.

According to the business case, this scheme will create around 3,600 jobs by 2031, while 200 direct jobs will be created during the construction phase. No evidence has however been provided as to how these new jobs have been estimated, and which sectors they will cover.

The primary economic benefits from the scheme is a reduction in journey times (primarily to car users) as key traffic bottlenecks are bypassed and congestion reduced significantly. Other economic benefits include reduction in vehicle operating costs, marginal external cost impacts, and reductions in accidents. The total economic benefits delivered by the scheme is £61.9 million.

The scheme also delivers environmental, social and land value uplift benefits have not been included in the BCR estimation, even though a monetary value has been estimated for some of them.

While the likelihood of some risks occurring have been identified as 'High', overall a review of the project risk register suggests that there are no significant or major project risks, and the risks identified can be overcome with the mitigation measures proposed.

The business case for A29 Realignment has estimated that the scheme will deliver total economic benefits of £61.9 million, and a BCR of 1.5:1. The primary benefit from this scheme will be to reduce traffic during the peak periods, especially around the Woodgate level crossing and the War Memorial crossing. Further, numerous new housing developments are being planned at Barnham, Eastergate and Westergate. Over 4,000 houses will be built in total, which will require a new road access. This realigned highway is expected to provide this road access, and hence if the scheme is not delivered it is unlikely that these significant levels of housing will be delivered.

The reviewer considers that the business case is robust and fit for purpose for a £54.242 million scheme, and that the project will provide economic benefits and with relatively low risks. As such, the reviewer recommends that the requested LEP funding of £12.3 million is approved for the A29 Realignment project.

1. Scheme Description

West Sussex County Council (WSCC) has put forward a business case for a new alignment of the A29 near Barnham. The scheme involves building a new 4.34km road to the east of Eastergate, Westergate and Woodgate villages. The scheme is expected to deliver significant benefits to the area including reduced journey times and safer journeys for all users, including cyclists and pedestrians.

The existing A29 near Barnham currently experiences significant traffic congestion during the peak periods, especially around the Woodgate level crossing where delays of around 35 minutes occur. This has resulted in unreliable journey times, queueing vehicles, increased accidents, and poor air quality. Further new housing developments are being planned at Barnham, Eastergate and Westergate (over 4,000 houses in total), which will require a new road access to be built. WSCC along with Arun District Council developed the A29 realignment scheme, to mitigate against the current congestion problems, as well as provide access to the new housing developments.

As part of the feasibility study, various options were considered before the preferred alignment was arrived upon. The new A29 alignment is planned to start from the existing A29 Fontwell Avenue north of Eastergate, to the existing A29 Lidsey Road north of Shripney. The proposed road will provide a more reliable connection to Bognor Regis and will reduce traffic along the existing A29, especially at the Woodgate level crossing and the War Memorial crossing.

While numerous options were considered the scheme, the Council's preferred option comprises of the following elements:

- A new single carriageway road (in each direction), with a combined cycleway/footway along its entire length;
- Planting of trees in along the carriageway;
- A new railway bridge across the West Coastway railway line;
- A new foot and cycle bridge to support the local school cycling and walking routes;
- Links to Public Rights of Way; and
- New pedestrian crossing points at junctions.

The £54.24 million scheme will be undertaken in 2 phases, with Phase 1 being the northern section, and phase 2 being the southern section. The scheme is expected to deliver the following benefits to local residents and businesses.

- Reduce traffic congestion along the section of the A29 proposed to be bypassed
- Reduced journey times;
- Improved pedestrian and cycle connections and provide new facilities;
- Enhanced bus services and facilities;
- Improved air quality;
- Access to planned new housing developments; and
- Reduction in accidents.

This review was based on the following information and documentation provided by C2C and WSCC.

- A29 Realignment Business Case;
- Appendices to the business case document; and
- Specific questions and comments were put to WsCC, for which answers were provided and discussed over the phone.

2. Business Case Review

Capital Costs

The estimated total cost of the A29 Realignment scheme is £54.242 million, of which £11.650 (21%) is for Phase 1, and £42.593 million (79%) is for Phase 2. The total funding requested from C2C LEP under the LGF is £12.3 million. The applicant's share of the total capital costs (which includes developer contributions of £30 million) is well above C2C's requirement of at least 15% matched funding for transport projects. The total capital cost estimate is given in Table 2.1.

Table 2.1: Scheme Capital Costs (Phases 1 and 2 Combined)

Item	Cost (£ '000s)
Construction Costs	20,449
Design, Supervision, Surveys	4,089
Land	4,089
Public Inquiry	1,022
Statutory Undertakers	2,273
Total Base Cost	31,925
QRA	9.103
Total Cost without OB	41,028
Total Cost (with OB and Inflation)	54,242

A Quantified Risk Assessment (QRA) has been undertaken and the value has been included in the costs. Further, Optimism Bias of 15% has been applied, which is consistent with DfT WebTAG guidance.

The construction of Phase 1 is expected to run from November 2020 to December 2021 (12 to 13 months), while the construction of Phase 2 is expected to run from March 2023 to September 2025 (around 30 months). The construction phases seem reasonable.

The current C2C LGF funding window ends in March 2021, by which time all funds need to be spent. However, as Phase 1 will not be completed by this deadline, it is proposed that the £12.3 million LGF contribution is vired to the A284 Lyminster bypass scheme, as that project is expected to be completed by the deadline. Funds from the A284 scheme can then be transferred to the A29 scheme. This seems a reasonable proposal to ensure the effective use of the LGF funds to ensure that they are spent within the appropriate deadlines.

The overall capital cost estimates seem to be reasonable and have been estimated as per existing HM Treasury guidance.

Job Creation

According to the business case, this scheme will create around 3,600 jobs by 2031, while 200 direct jobs will be created during the construction phase. No evidence has however been provided as to how these new jobs have been estimated, and which sectors they will cover.

Value for Money

A value for money analysis was undertaken in line with current DfT WebTAG and HM Treasury guidelines and methodology. The total estimated economic benefits of the scheme (both Phases 1 and 2 combined) is given in Table 2.2.

Table 2.2: Scheme Economic Benefits (Phases 1 and 2)

Item	Benefits (£ million)
Journey time savings	49.822
Vehicle operating cost savings	7.619
Marginal external cost impacts	0.693
Accident reductions	3.762
Total Economic Benefits	61.896

Journey Time Savings

The primary economic benefits from the scheme is a reduction in journey times (primarily to car users) as key traffic bottlenecks are bypassed and congestion reduced significantly. The benefits have been modelled using the DfT's Transport User Benefit Appraisal (TUBA) software. The main benefits arise from a reduction in journey times in the AM peak hours (0800 to 0900), and during the inter-peak period (1000 to 1600). These benefits have been estimated based on approved DfT appraisal guidance, and hence are considered acceptable.

Accident Reduction Benefits

By delivering a new road to modern safety standards, the scheme is expected to result in a reduction in the number of accidents. Over a 60-year period, the scheme as a whole (Phases 1 and 2) is expected to result in a reduction of 62 collisions and 71 casualties.

Benefits from a reduction in accidents were estimated using the DfT's Cost and Benefit of Accidents – Light Touch (COBALT) model, a computer program developed by the DfT to undertake the analysis of the impact on accidents as part of economic appraisal for a road scheme. Historic accident data was provided by WSCC. These reductions in accidents have been estimated based on approved DfT appraisal guidance, and hence are considered acceptable.

Vehicle Operating Cost Savings

A reduction in congestion and faster traffic flows also deliver reductions in vehicle operating costs. The benefits have been modelled using the DfT's Transport User Benefit Appraisal (TUBA) software. The main benefits arise from a reduction in vehicle operating costs in the AM peak hours (0800 to 0900), and during the inter-peak period (1000 to 1600). These benefits have been estimated based on approved DfT appraisal guidance, and hence are considered acceptable.

Marginal External Cost Impacts

Due to changes in the highway demand, levels of congestion, and the route the traffic takes, the scheme is expected to deliver positive impacts on levels of local air quality emissions, noise, greenhouse gas emissions and the cost of highway maintenance due to highway 'wear and tear'. These are collectively referred to as marginal externalities. These benefits have been estimated based on approved DfT WebTAG appraisal guidance, and hence are considered acceptable.

Based on the cost benefit analysis, a BCR of 1.513 has been estimated for the scheme as a whole (Phases 1 and 2). This BCR places the scheme within the DfT's 'Medium' value for money category.

Environmental Impact

The scheme is expected to deliver reduced road congestion and levels of traffic, and hence deliver the following environmental benefits:

- Reduction in noise – areas around the new alignment are expected to experience increased noise levels, while areas around the old alignment will experience reductions in noise. The net benefits of this has been estimated at £200,681 over the appraisal period.
- Improved air quality – the redistribution of traffic is expected to improve air quality in the area, resulting in a total benefit of £10,208 over the appraisal period.
- Reduction in emission of greenhouse gasses – the redistribution of traffic is expected to lead to a reduction in greenhouse gas emissions in the area, resulting in a total benefit of £482,576 over the appraisal period
- Landscape and Townscape – the scheme is expected to have a moderate negative impact on the local landscape. There will be no impact on the townscape as the scheme is not in an urban area.

While some of the environmental impacts have been monetised, they have not been included in the business case. Based on the evidence and analysis provided in the business case, these conclusions are reasonable.

Social Impact

The scheme is expected to deliver the following positive social impacts:

- Health benefits – resulting from the improved cycling and pedestrian facilities being provided. The scheme is however not expected to see significant increases in cycling and walking;
- Journey quality – the scheme will improve journey quality as drivers will spend less time in congested traffic and will experience faster journey times; and
- Affordability – the reduction in vehicle operating costs, resulting from smoother flowing traffic and reduced highway-kilometres will benefit affordability for motorists.

These benefits have not been quantified or monetised in the business case. Based on the evidence and analysis provided in the business case, these conclusions are reasonable.

Land Value Uplift

A high-level indicative analysis has been undertaken to estimate the uplift in land value the scheme will deliver. This has been based on the appraisal guidance from the Ministry of Housing, Communities and Local Government (MHCLG). As per MHCLG guidance, land value uplift is calculated by subtracting the modelled land value from the current land value. For the full scheme, the land value uplift has been estimated at £280 million over the appraisal period. The benefits have been estimated based on approved MHCLG guidance, and hence are considered acceptable.

The environmental, social and land value uplift benefits have not been included in the BCR estimation, even though a monetary value has been estimated for some of them. Including these wider economic benefits, the BCR has been revised upwards to 1.8:1.

3. Project Risks

A detailed risk register was provided as part of the business case, and the following were the key risks identified:

- Funding is not made available either from C2C or from the developers;
- Construction risks involving additional earthworks to be carried out;
- Risk of flooding; and
- Land ownership issues resulting in delays in transfer of land.

While the likelihood of the funding, construction and flooding risks have been identified as 'High', adequate measures seem to have been put in place to mitigate against these risks. The key will be to manage relationships with the various developers, while ensuring that the interdependencies between the various housing schemes proposed, and the construction of the A29 realignment, are properly managed.

Overall a review of the project risk register suggests that there are no significant or major project risks, and the risks identified can be overcome with the mitigation measures proposed.

4. Project Deliverability

WSCC has extensive experience of delivering major highway schemes of this nature, including the Adur Ferry Bridge, Eastern Gateway (Crawley), and Manor Royal (Crawley). They have set up an appropriate project management and governance structure, including oversight and accountability.

Based on this, there are no issues around WSCC's ability to successfully deliver this package of schemes.

5. Recommendation

The business case for the A29 Realignment scheme estimates that it will deliver total economic benefits of £61.9 million, and a BCR of 1.5:1. The primary benefit from this scheme will be to reduce traffic during the peak periods, especially around the Woodgate level crossing and the War Memorial crossing. Further, numerous new housing developments are being planned at Barnham, Eastergate and Westergate. Over 4,000 houses will be built in total, which will require a new road access. This realigned highway is expected to provide this road access, and hence if the scheme is not delivered it is unlikely that these significant levels of housing will be delivered.

The reviewer considers that the business case is robust and fit for purpose for a £54.242 million scheme, and that the project will provide economic benefits and with relatively low risks. As such, the reviewer recommends that the requested LEP funding of £12.3 million is approved for the A29 Realignment project.

Enterprise Adviser Network Report: October 2019

Enterprise Adviser Network (EAN)

The Coast to Capital EAN works to connect senior, local business leaders with senior leaders in local schools and colleges to help motivate and inspire young people and make a major impact on their future career prospects.

The purpose of the network is to create powerful lasting connections between local businesses and education establishments in order to equip young people with the skills they need. To do this we have a team of Enterprise Coordinators who each support around 20 schools and colleges in their area and link them to local business.

Update

Over the summer term the EAN programme has seen some real progress across all aspects of the programme, including the capacity of the team and the progress towards our targets.

The capacity issues of the EAN team have faced are now being resolved with the engagement of an Interim Enterprise Coordinator, Melanie Butcher. This role is to focus on the current gap in EAN programme provision in the Brighton & Hove and Worthing areas and the Interim EC is starting to work on reengaging with the schools and colleges in the areas, as well as following up leads to recruit new Enterprise Advisers.

In addition, the permanent EC for the Brighton & Hove and Worthing areas is now making a phased return to work after a long absence. The return to work plan includes the EC supporting the Skills Manager on a series of short projects regarding careers education.

The EAN team have worked closely with the schools and colleges in the network and to the end of July we have seen a significant increase in the numbers updating their Compass returns on a termly basis. The results of the increased collaborative working with schools/colleges and the focus on providing up to date data has increased the achievements against our targets. These are discussed later within this report.

In September, we met with senior members of the Careers & Enterprise Company team to discuss progress in the Coast to Capital area and the support they will be providing us going forward. We also talked about the CEC's State of the Nation 2019 report, which gives a LEP area picture of the progress schools and colleges are reporting that they are making towards achieving the Gatsby Benchmarks (a framework of 8 guidelines that define the best careers provision in schools and colleges). See page 3 for further information on the State of the Nation report.

The EAN Team

Lisa Mobbs	Team Leader and Enterprise Coordinator for East Surrey
Hannah Thomas	Enterprise Coordinator for East Surrey & North Sussex
Pru Rowntree	Enterprise Coordinator for Mid Sussex and Upper Greater Brighton
Penny Daly	Enterprise Coordinator for Brighton & Hove and Worthing
Kelly Parkhouse	Enterprise Coordinator for Arun and Chichester

Enterprise Adviser Network Report: October 2019

Performance against Targets

We have now received the final quarterly data report for the academic year 2018/19 from the Careers and Enterprise Company (CEC) which provides information on how the EAN programme is progressing towards meeting our contractual targets. The data to the end of July 2019 shows that overall Coast to Capital has increased performance and made a large amount of progress towards meeting the Gatsby benchmark targets.

The target for Benchmark 5 (which provides learners with encounters with employers and their staff) is 50% of matched EAN schools achieving the benchmark during the 2018/2019 academic year and at present performance is at 36.5%.

The target for Benchmark 6 (which provides learners with experiences of the workplace i.e. work placements) is 45% of matched EAN schools achieving the benchmark for the 2018/2019 academic year and at present Coast to Capital schools have achieved 43%.

	To July 2018		Target 2018/ 2019	To August 2019		August 2019 variance from Target 2018/2019
	Coast to Capital	National average		Coast to Capital	National average	
% of currently matched institutions achieving BM5	20.50%	40.30%	50%	36.51%	56.49%	-13.49%
% of currently matched institutions achieving BM6	27.30%	38.20%	45%	42.86%	49.08%	-2.14%
% of currently matched institutions partially achieving BM6	21.60%	25.50%	35%	53.97%	45.49%	18.97%

Case Study

World of Work Week at The Royal Alexandra and Albert School

Liane Richardson, EA from Thakeham Homes worked closely with Scott Randolph, Careers Leader at The Royal Alexandra and Albert School to plan, develop and deliver a World of Work week for 150 x Year 10 pupils in July 2019. Several enthusiastic volunteers from Thakeham Homes delivered a variety of activities to include workshops in CV & Interviews, Entrepreneurship, Leadership, Design & Engineering, Advertising & Marketing and Career Planning over a 3 day period.

The workshops enabled pupils to develop a number of key employability skills as they were given the opportunity to work creatively and in teams. Pupils had to plan effectively and were given a valuable insight into the many aspects of working for a construction organisation.



Pupils involved in the activities have said:

'I got inspired by the Thakeham staff to work hard for what I want to do in the future'.

'Engineering and Designing were really cool and a bit competitive! They were so interesting that they kept my entire attention!'

Enterprise Adviser Network Report: October 2019

State of the Nation

In September Careers and Enterprise Company published their [State of the Nation](#) report.

This annual report is based on data requested from all schools and colleges across the country. They are asked to voluntarily complete the CEC's Compass data tool (whether they are part of the Enterprise Adviser Network or not) and to self assess how they are achieving against ALL of the right Gatsby Benchmarks.

The report identifies that schools and colleges in the Coast to Capital area are on average achieving 2.6 of the eight Gatsby Benchmarks, an increase from 1.4 in 2018 and against an average national benchmark of 2.91.

We are very pleased with the significant part that our EAN programme has had to play in this improvement. The EAN has made huge progress over the last 6 months and this is playing out in the results. It is important to note that the playing field is not level. Many of the LEP areas in the report have Careers Hubs which benefit from additional funding and capacity and are targeted to support schools and colleges to achieve ALL eight benchmarks. Coast to Capital does not have a careers hub at this time.

Our comparator LEPs score as follows:

- Cheshire & Warrington = 2.3
- London = 2.4
- Coast to Capital = 2.6
- Oxford = 2.6
- Thames Valley Berkshire = 2.7
- South East LEP = 2.8

To note, the highest number of benchmarks achieved in a LEP area is 4.2 in both Tees Valley and Buckinghamshire LEPs both of which have careers hubs.

Budget V Actuals

The Careers & Enterprise Company provide a grant for 50% of the costs associated with the 4.5 FTE Enterprise Coordinators salaries and overheads. The grant received for September 2018 to August 2019 is £117,000. Coast to Capital provides the remaining 50% funding bring the total budget to £235,000.

The total spend to the end of July 2019 for salaries and overheads equals £218,473.

The forecast budget for academic year 2019 – 2020 estimates that the EAN programme will require £199,050 in salary and overheads funding, which is within budget.

Actuals September 2018 - July 2019

100% CEC and C2C	Sept - Dec 2018	Jan - March 2019	April - June 2019	July - Aug 2019	Total	Total (salary & overheads)	Total ALL
	<i>4 months</i>	<i>3 months</i>	<i>3 months</i>	<i>2 months</i>			
Salary, NI and Pension claimed to date	£73,564	£53,691	£39,966	£28,574	£195,795	£218,473	£222,633
Overheads and travel claimed to date	£8,604	£5,644	£4,902	£3,528	£22,678		
EC cover costs May 2019 - July 2019			£2,773	£1,386	£4,159		
Total	£82,168	£59,335	£47,641	£33,489	£222,633		

Meeting: Coast to Capital Board Meeting
Date: Thursday 17 October 2019
Report Title: Escalator Programme
Report by: Malcolm Brabon
Item No: 5 d)
Part: A

Recommendation:

The Board is asked to note this Coast to Capital Escalator pilot Programme update.

1. Current Status

At the last Board report we reported on the initial findings of the Escalator Programme and were invited to submit an update paper at this Meeting. We are approaching the end of the pilot period with just one remaining cohort meeting left which will be held on 22 October.

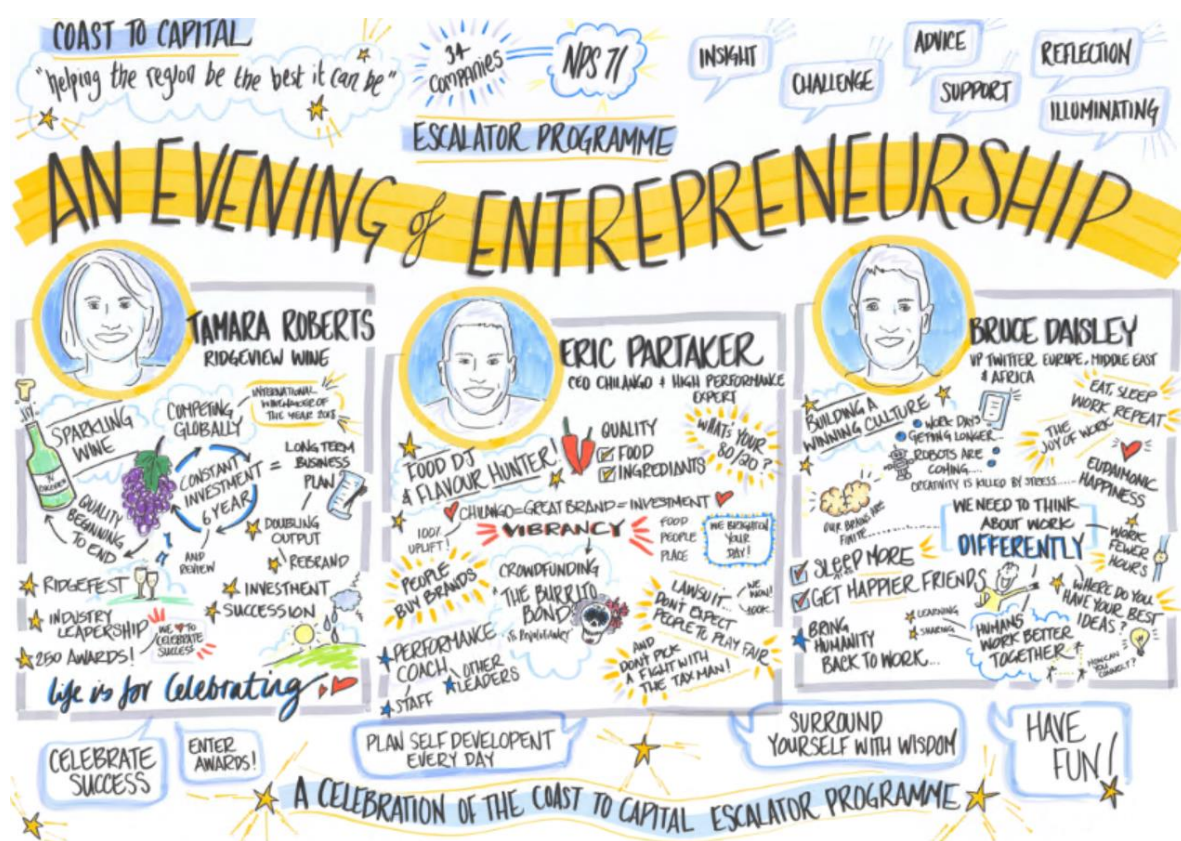
Feedback from the five cohorts has been gathered after each of the six meetings and the results are being analysed to review the success of this pilot. We have also been collating some key success stories from each of the participating businesses to demonstrate how effective peer to peer groups are for scaleup businesses. All these achievements and stories of success will be documented in a final Escalator report to be presented to the December Board meeting.

We have been invited to report on the Escalator Programme as part of the highly regarded Scale Up Institute's 2019 Scaleup Report.

Coast to Capital was keen to celebrate the success of the programme with our delivery partners MD Hub and create a memorable event as a showcase on the completion of the pilot. That event, titled 'An Evening of Entrepreneurship - A Celebration of the Coast to Capital Escalator Programme', took place in September at the Ricardo Innovation Centre in Shoreham. The event included three inspirational speakers for the evening:

- Tamara Roberts - CEO of Ridgeview Wine
- Bruce Daisley – Vice President for Twitter in Europe, Middle East and Africa
- Eric Partaker – Founder & Joint CEO of Chilango

A graphic recorder attended and captured the essence of the three speaker's talks. The celebration also included a motivational film made with a selection of our Escalator members and showed on the night.



2. Initial Feedback from the Pilot

The cohorts have developed strong bonds and relationships with individual cohort members sharing their anxieties, frustrations, barriers and successes in a confidential environment.

Alongside the regular facilitated cohort monthly meetings subject experts were used as specific needs were identified by the cohorts. Extra workshops were created around common barriers to growth such as the current funding landscape, raising finance and preparing business for sale. A new Innovation Canvass model workshop and Motivational Mapping session were run. Cohort's entered into the spirit that this was a Pilot programme and that there was the opportunity to experiment with the learning.

Key findings from the Escalator Programme reported for The Scaleup Report 2019 include:

- 7% exporting for the first time
- 13% identified new markets to sell to
- 14 jobs created
- 20% average increase in sales

- 30% average increase in gross profit
- 34 employees received further training

The pilot achieved an impressive Net Promoter Score of 71%

After the first six-month programme pilot, Coast to Capital is aiming to make the Escalator Programme part of the ongoing support provision provided by the Coast to Capital Growth Hub. The intention is for the Alumni Programme to offer long-term engagement and support the development of the scaleup community.

The Growth Hub will collect success stories and promote them across multiple channels to publicise the impact of the programme and raise the ambitions of the area's businesses.

3. Next Steps

The Escalator programme has proved so successful that there are a number of proposals for future development:

- To continue with a programme for alumni cohorts. 50% of the original Escalator cohorts are keen to participate. It is proposed that there will be three facilitated groups meeting for a further six months with each Cohort member paying £600.00.
- To introduce an extended Escalator programme to be launched later this year to potentially include:
 - A women leaders cohort
 - Pre Scale Up cohorts
 - A knowledge based industry sector cohort
 - A Creative Digital and IT based cohort
 - A leadership cohort to include senior members of businesses
- Explore future opportunities to bid for BEIS funding which should become available this financial year
- Promote the Coast to Capital Escalator programme as best practice nationally and internationally.

4. Further information: Cohort Members by location and sector

Worthing

- Engineering and manufacture
- Electronics
- Engineering
- Parts distribution

Chichester

- On line retailer of garden furniture
- IT Support
- 2 Food manufacturers
- Business Support co-working space

Brighton & Hove

- Environmental
- Events
- Gaming café's
- IT Support
- Design
- Communications & strategy
- Business Support co-working space
- Ergonomic office furniture

Crawley

- Design agency
- Candle manufacture and distribution

Lewes

- High end furniture manufacture
- Mobility care manufacturer and distributor
- Events
- Steel fabrication

Burgess Hill

- Business Support
- Essential Oil manufacturer
- IT Support

Horsham

- Software development

Dorking & Redhill

- Mobile Phone cover distributor – international
- IT Support

Gatwick

- Data Storage

Caterham

- Marketing Agency

Ditchling

- Wine grower and retailer

Billingshurst

- Engineering design

Edge of East Sussex

- Accountancy chain