

Newhaven Town Deal Board

Minutes of Board Meeting

Friday 16th September 2022

3pm – 4pm via MS Teams

Chair: Chris Ketley (CK), Knill James LLP

Attendees:

- **Lewes District Council:**
 - Lisa Rawlinson (LR), Head of Regeneration
 - Robert Cottrill (RCot), Chief Executive
- **East Sussex County Council**
 - James Harris (JH), Assistant Director – Economy
- **Members of Houses of Parliament and Lords:**
 - Maria Caulfield MP (MC)
 - Baroness Janet Whitaker (JW)
- **Department of Business, Energy & Industrial Strategy / Towns Fund team**
 - Nigel Stewardson (NS), Department of Levelling up, Housing, and Communities
- **Local Enterprise Partnerships:**
 - Graham Peters (NS), Chair, Team East Sussex (SELEP)
- **Community, Education and Business Representatives:**
 - Sarah Burge (SB), Sussex NHS Commissioners
 - Captain Dave Collins-Williams (DCW), Newhaven Port & Properties
 - Dick Shone (DS), Boutique Modern
 - Duncan Kerr (DK), Wave Leisure
 - Penny Shimmin (PS), Sussex Community Development Association
 - Ed Wills (EW), Brighton & Hove Buses

Secretariat (provided by Lewes District Council):

- Guy McQueen (GMQ), Regeneration Project Manager
- Anna Salmon (AS), Funding Programme Delivery Manager

Apologies:

- Cllr Graham Amy, Newhaven Town Council
- Trevor Beattie, South Downs National Park
- Adam Bryan, SELEP
- Corinne Day, Newhaven Enterprise Zone
- Ken Dry, Newhaven Town Council
- Ian Fitzpatrick, Lewes District Council
- Cllr James MacCleary, Lewes District Council
- Cllr Zoe Nicholson, Lewes District Council
- Mike Shorer, Newhaven Chamber of Commerce
- Max Woodford, Brighton & Hove City Council

Agenda item		Action
1.0	<p>Welcome, Introductions & Apologies</p> <p>CK welcomed all to the meeting which focused on the <i>Better Journeys for All</i> Strategic Programme business case.</p> <p><u>Change in LDC officers</u> CK noted that Lisa Rawlinson’s membership replaces Peter Sharp’s on the Board as Head of Regeneration.</p> <p>Anna Salmon was also introduced as the new Funding Programme Delivery Manager.</p> <p><u>Newhaven FC project progress</u> Over recent months, work has been carried out at Newhaven Football Club to deliver the new all-weather 3G pitch and other improvements, including new energy efficient floodlights. The pitch was ready for use on 19th August 2022.</p> <p>Members were shown images of the completed work and thanked for agreeing the request to move £140k from ‘Building our Economic Strength’ (Business Grants) to ‘An Active Community’ (Newhaven FC) in order to complete the project - this has now been formally approved by DLUHC.</p> <p>A site visit can be arranged if Board members would like to visit the new 3G pitch.</p> <p><u>Newhaven Art Space</u></p> <p>CK informed the Board that a new contemporary art gallery and project space has opened at 24 High Street, Newhaven.</p> <ul style="list-style-type: none"> • Supported by the BN9 Programme, a project aimed at the creative arts, funded by Newhaven Enterprise Zone and overseen by Towner Eastbourne. • Curators and educators will deliver a rolling calendar of exhibitions bringing notable artists to the town while also offering a programme of art workshops and other events to be enjoyed by both local residents and visitors. 	

	<ul style="list-style-type: none"> • The gallery launched on Saturday 3rd September with an exhibition of work by the founding artists (Helen Turner and Nick Marsh). • The gallery is open Thursday - Saturday each week. Visit newhavenartprojects.co.uk to stay updated and view the full programme of events. • This follows on from the long-running Newhaven Open Call, which has seen dozens of artists exhibit their work at various pop-up locations around the town. • Additionally, local businesses including Boutique Modern and Mike Stimpson have weighed in with support. <p>➤ JW commended those involved and emphasised its wider impact and strategic alignment.</p>	
<p>2.0</p>	<p>Minutes of Last Meeting</p> <p>Minutes were circulated on 02 August 2022 and circulated again on 13th September with the Board papers for this meeting.</p> <ul style="list-style-type: none"> • The previous minutes were agreed. 	
<p>3.0</p>	<p>Declarations of Interest</p> <p>CK explained that following correspondence from Mark Healy and subsequently from Anna Salmon regarding the Newhaven Town Deal Board - Code of Conduct and Register of Interests, this will now be a standing agenda item.</p> <ul style="list-style-type: none"> ○ Members have been provided with a copy of the Register of Interests form (pages 12-20) to complete and return to AS. ○ CK will ask all Members present, to declare an interest for any of the agenda items listed for this meeting. The declarations of interests will be noted, and the Member(s) will be asked to leave the meeting for the relevant agenda item(s). 	<p>Action All: Return Register of Interests form to AS</p>
<p>4.0</p>	<p>Business Case: Better Journeys for All</p> <p>CK asked Members to declare any interests for this Item: EW declared an interest and temporarily left the meeting.</p>	

The Board was reminded that Better Journeys for All is the last of the seven business cases. An executive summary of the business case was circulated to Board members on 13th September.

Previous discussion of the programme took place at both the April and May Board 2022 meetings. Following those discussions, the programme now comprises of two projects:

- Newhaven Hydrogen Fuelling Hub – a facility to be based at Newhaven bus depot which will provide fuelling for hydrogen fuel cell (HFC) buses and other large vehicles
- The procurement of a small initial fleet of HFC buses to operate from the depot.

The consultants and officer team have been working on the development of the business case since December, with a virtual workshop held with the project sponsors on 16th March.

The work-in-progress business case was presented to the Strategic Sub-Group on 21st July and following further work it was taken back to the Sub-Group on 6th September for review. The internal sign-off group reviewed the business case on 14th September. The draft circulated to the Board reflects the input and comments of the sub-group, chaired by JH, and the internal sign-off group.

CK invited JH to summarise the work and recommendations of the Sub-Group:

- The Sub-Group had acknowledged the strength of the original concept but that the programme had changed since its inclusion in the Town Investment Plan (TIP). It had also been emphasised that more appropriate funding streams could become available.
- Insufficient information had been provided on inputs, how much the facility would cost and how much energy would be generated.
- The direct benefits to Newhaven are limited, given the scale of funding, as they would mostly be spread across the wider coastal area.
- Deliverability risks had been identified – the proximity to existing residential properties would have been a major consideration at the planning stage.
- State subsidy issues have been identified.

The Sub-Group recommended that the business case not be approved.

JH passed back to CK who in turn thanked JH and the Sub-Group for their work on the business case before opening-up discussion for Members.

- JW noted that it would be good for Newhaven to be a market leader but broadly agreed with the points made. JW speculated whether Compass Travel might be able to collaborate in future, given their fleet serve much of the town, and if the training element of the scheme might be returned to with ESCG.
- CK clarified that timescales had already been stretched for business case development and there was no opportunity for further reworking of the Programme.
- MC supported recommendations. The programme had been a key part of the TIP and improving air quality for residents was a top priority. It had been frustrating that the process had been delayed. MC also acknowledged that Compass Travel were most used in residential areas, therefore a local fleet of Hydrogen Buses for B&H Buses would not have reached residential areas.
- SB agreed that the business case couldn't be approved and noted that the executive summary had included discussion of the relative benefits of electricity and hydrogen. SB wondered if there might be opportunities to use electric buses as opposed to hydrogen, particularly with Rampion Windfarm close-by.
- JH acknowledged the sensible suggestions being had. JH clarified that electricity produced offshore still travelled to central processing inland, in Rampion's case this is in Bolney, West Sussex. JH reiterated CK's points that there was no more opportunity to reprogramme, and that B&H Buses would need to pursue funding from future funding sources.
- RC agreed that although Better Journeys for All had been a good proposal at inception and a Hydrogen fleet should be acquired through an industry-appropriate innovation fund. LDC had planned to use the Hydrogen Hub to assist with decarbonisation of their vehicles. RC concluded that the Board had shown due diligence and discipline by re-assessing the Programme over time, which has not met the standard required.

- MC explained that hydrogen is expected to be part of a mixed fuel economy. The nature of certain services and more importantly geographies means electric power is often not suitable for vehicles e.g. ambulance services cities such as London are looking at electric power but that doesn't work in areas with wider distances to cover. Hydrogen is more appropriate for long distance areas. Newhaven has hilly terrain and is in a rural area so electricity would not be appropriate for buses or similar service vehicles.

The Board did not approve the Business Case.

EW was invited back into the meeting.

CK explained that the Board would need to agree how to reallocate funding from *Better Journeys for All*. Options which could be included are:

1. A contingency fund to cover cost over runs and inflation costs across all Town Deal Strategic Programmes
2. Reimbursing / topping up the business grant fund
3. Increasing funding to specific Town Deal programmes.

CK asked NS to inform the Board of the relevant timescales and deadlines associated with the submission of project adjustment requests to reallocate funding. Also, whether a new project could be introduced.

NS confirmed a Project Adjustment Request would be required to approve the reallocation of funding. If the Board were to consider a new project, then it would trigger a much longer and potentially risky assessment process which need to be completed by January which leaves very little time for feasibility work or a business case to be undertaken.

Almost all Boards are needing to go through a reallocation process, and have, or are working towards submitting a Project Adjustment Request.

The Board discussed increasing the funding and scope for *Re-connecting Our Town* (Option 3). This process would be less complicated and could be combined with Options 1 and 2.

CK said it would be worth the Board briefly discussing the options before agreeing a process for follow-up after the meeting.

- GP asked if a figure for inflation / cost over runs had been calculated and suggested that even with Options 1 and 2 selected, it would still leave a large amount for reallocation.

	<ul style="list-style-type: none"> ➤ NS said the average for other towns had been around 20%. ➤ LR confirmed that some larger schemes within the Wayfinding & Spatial Masterplan could be funded through a reallocation. ➤ Wondered if Vanguard Way could be included, although it is not identified in the Masterplan. ➤ MC recalled the details of the Towns Fund guidance which had sought to minimise the amount of spend which could be classed as beautification and that there was a focus on job creation and skills. ➤ LR said that the Wayfinding and Signage project would look to incorporate some training and skills. ➤ NS acknowledged MC’s point and explained there is now less emphasis on enforcing a beautification limit and should not cause concern. ➤ DK welcomed Option 1 but also advised that investigation and conservation work might reveal costs which exceed 20%. • CK recommended that we communicate via email regarding the potential reallocation of funding, noting the short timescales involved for the Project Adjustment Request as outlined by NS. • AS will communicate with the Board by email to confirm the options. 	
<p>5.0</p>	<p>Date of Next Meeting</p> <p>The next meeting will be scheduled for mid-November. An earlier meeting could be requested if necessary.</p>	<p>Action: AS to schedule next meeting</p>
<p>6.0</p>	<p>Any Other Business</p> <p>CK thanked Members for all their input and brought the meeting to a close.</p>	