

Newhaven Town Deal Board

Minutes of Board Meeting

Friday 22nd July 2022

3pm – 4.30pm via MS Teams

Chair: Chris Ketley (CK), Knill James LLP

Attendees:

- **Lewes District Council:**
 - Cllr James MacCleary (JM), Leader, Lewes District Council
 - Cllr Zoe Nicholson (ZN), Deputy Leader, Lewes District Council
 - Ian Fitzpatrick (IF), Deputy Chief Executive and Director of Regeneration
 - Peter Sharp (PSha), Head of Regeneration
- **Newhaven Town Council:**
 - Cllr Graham Amy (GA), Newhaven Town Council
- **East Sussex County Council**
 - James Harris (JH), Assistant Director - Economy
- **Members of Houses of Parliament and Lords:**
 - Baroness Janet Whitaker (JW)
- **Department of Business, Energy & Industrial Strategy / Towns Fund team**
 - Adam Szczotka (ASz), Department of Levelling up, Housing, and Communities
- **Local Enterprise Partnerships:**
 - Adam Bryan (AB), Chief Executive, SELEP
 - Graham Peters (GP), Chair, Team East Sussex (SELEP)
- **Community, Education and Business Representatives:**
 - Sarah Burge (SB), Sussex NHS Commissioners
 - Captain Dave Collins-Williams (DCW), Newhaven Port & Properties
 - Duncan Kerr (DK), Wave Leisure
 - Ed Wills (EW), Brighton & Hove Buses

Secretariat (provided by Lewes District Council):

- Lisa Rawlinson (LR), Strategy & Partnerships Lead for Growth & Prosperity
- Guy McQueen (GMQ), Regeneration Project Manager
- Anna Salmon (AS), Regeneration Project Manager
- Mark Healy (MH), Funding Programme Delivery Manager

Apologies:

- Maria Caulfield MP
- Robert Cottrill, Lewes District Council
- Trevor Beattie, South Downs National Park
- Corinne Day, Newhaven Enterprise Zone
- Ken Dry, Newhaven Town Council

- Penny Shimmin, Sussex Community Development Association
- Dick Shone, Boutique Modern
- Mike Shorer, Newhaven Chamber of Commerce
- Nigel Stewardson, Cities & Local Growth Unit
- 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:</p> <ul style="list-style-type: none"> • Next steps for the ‘Better Journeys for All’ programme following the business case workshop with Brighton and Hove Buses (B&HB) • Updated governance arrangements for the Town Deal Board • A presentation on the spatial masterplan which has been developed for the <i>Newhaven Wayfinding and Visitor Trails</i> project – part of the <i>Re-connecting Our Town</i> programme. <p><u>Change of council leader</u> CK reminded Members that Lewes District Council is a cooperative alliance administration, and the Council’s leadership alternates annually between Cllr Nicholson (Green Party) and Cllr MacCleary (Liberal Democrats). Cllr MacCleary was confirmed as Leader at full council on 18th July. Cllr Nicholson is now Deputy Leader.</p> <p><u>Newhaven FC project progress</u> CK shared an update from Newhaven FC on their 3G pitch project. Great progress has been made on site at Newhaven FC to deliver the new all-weather 3G pitch and other improvements, including new energy efficient floodlights.</p> <p>Construction is on schedule to be completed by August 2022. CK thanked the Board for supporting the club’s request for the additional funding needed to complete the project.</p> <p>The new pitch and other improvements for the club will be one of the first Town Deal projects to be completed. A site visit can be arranged when the works are completed.</p> <p><u>Your Newhaven (PropTech Engagement Fund)</u> CK encouraged Members to share details of Your Newhaven (yournewhaven@commonplace.is). Officers have recommended to start with our short, animated video: The Story So Far</p>	<p>Action for all: promote Your Newhaven</p>

<p>2.0</p>	<p>Minutes of Last Meeting</p> <ul style="list-style-type: none"> • The previous minutes were agreed. 	
<p>3.0</p>	<p>State Subsidy Advice</p> <ul style="list-style-type: none"> • CK reminded Members that a partial update was provided at our last meeting, on officers' investigations into the state subsidy implications of the proposed change to the 'Better Journeys for All' programme to provide match funding to support the procurement of hydrogen fuel cell (HFC) buses. ○ 10 questions were raised by our legal advisers and B&HB are still to provide answers to nine of them so that our lawyers can give final and definitive advice on the responses. They relate to both the funding of hydrogen fuel cell buses, and the hydrogen hub itself. In addition to satisfying the state subsidy questions, the responses will also provide some of the information essential for the completion of the business case, and in particular the financial model and economic model. ○ B&HB have been working to compile the requested information. A business case workshop took place on 13th July with B&HB colleagues and LDC's consultants which allowed the questions to be explored more fully. B&HB have provided some of the information e.g. a first draft of the financial model. However, further information will be needed to complete the business case, and the time available to do that is now very limited. The state subsidy advice will also need to be finalised before the Board can take a final decision on whether to proceed or not with the project. • CK passed to JH as Chair of the <i>Better Journeys for All</i> Sub-Group to introduce a summary of the current options available to the Board: • JH explained that the Sub-Group had met and discussed the options presented, in light of the information provided by officers and external consultants. The project is still not compliant. A number of options are available which will be presented by MH. ○ The Sub-Group had been in agreement that the project was ground-breaking and in-keeping with the ethos of the Newhaven Town Deal but that there was a clear reality as well 	

for the process of state aid assurance which hasn't yet been completed.

- EW added that B&HB had been doing their utmost to provide the required information, but the nature of the technology and current market had made this difficult.
- MH shared a presentation, explaining the options available for *Better Journeys for All*:
 - Members were reminded that the programme originally consisted of a hydrogen filling station (Hydrogen Hub) combined with body, paint and trim facility that would provide training opportunities. B&HB were able to deliver the body, paint and trim facility themselves and so this part was removed.
 - The Hydrogen Hub is only viable if there are suitable vehicles in operation. B&HB's bid to the Zero Emission Bus Regional Areas (ZEBRA) scheme was unsuccessful which means they have a shortage of hydrogen fuel buses.
 - A proposal followed to revert the allocated funding from the body, paint and trim facility to subsidise the purchase of hydrogen fuel buses. This option was presented to the Board and the proposal was tentatively approved but great emphasis was placed on the need to be provided with state subsidy advice before progressing with the business case. For the change to be accepted, a formal change request would then need to be submitted to government. This cannot be initiated unless the Board agrees to the change, and before the Board's final decision can be made, all state subsidy advice must be received which will inform the business case and calculate whether this project is going to deliver value for money.
 - Three options were presented to the Board:
 1. Proceed at risk. This will entail committing further time and resource to develop the business case whilst the state subsidy questions remain unresolved.
 2. Terminate the project and seek Board agreement to use the funding on other projects. Many of the discussions to date suggest that the project may be much better aligned to potential future funding sources and will be difficult to make work as a Town Deal project, mindful of the requirements of the Town Deal to deliver benefits locally and mindful of the state subsidy requirements.
 3. Agree more time to develop the business case. This would entail pausing the business case work until the state

	<p>subsidy questions are resolved and seeking agreement for a further business case extension beyond September.</p> <ul style="list-style-type: none">● MH passed back to JH for a summary of the Sub-Group's recommendations:<ul style="list-style-type: none">○ JH thanked Mark and explained that the expectations of the Towns Fund and the guidance associated with it do not easily align with a project of this nature (with state subsidy issues), but that options 2 & 3 were being explored.○ The Sub-Group recommended Option 3; it should be given the best possible chance of being funded and an extension should be sought but that a tight timeline needs to be in place for the missing information to be provided.➤ IF agreed that given the potential impact of the project, it was important to do our utmost to assess it fully before either termination or submission. If information is not provided, then Option 3 would be presented for agreement.➤ AB added further support for the approach put forward.➤ JM explained that the negative reaction to the 3G Pitch development so far had related to the height of fencing and that he had been involved in negotiations to reduce the height. This was an example of the disparity between high-level discussion at Board level and impact on the public when they are implemented.➤ JM also suggested that a rapid turnaround was required for Option 3, if reverted to, as it would trigger the need to reallocate funding and revise relevant business cases. This additional work was also need additional officer and external resources. JM was supportive of the Sub-Group's recommendation. <p>The Board approved Option 3 and related recommendations.</p> <ul style="list-style-type: none">● CK thanked all and agreed that there was a need for speedy resolution so that the process is able be completed in time for September. The state subsidy advice may rule out the project entirely. Members will want to consider how funds might be reallocated prior to meeting in September and officers will be providing updates in the interim as well.	
--	---	--

	<ul style="list-style-type: none"> ➤ IF added that LR and colleagues had started contingency planning. There might also be the possibility of applying for an extension for the business case development. ➤ LR explained that discussion with the Sub-Group had concluded that a two-week deadline should be given for submission of all outstanding information by B&HB; all answers to the state subsidy questions, but also the information that's needed to develop a robust business case as well. 	
<p>4.0</p>	<p>Updated governance arrangements</p> <ul style="list-style-type: none"> • CK explained that central government colleagues have carried out an assurance review of the governance arrangements for all Town Deal areas. The majority of the requirements were all found to be fully satisfied for Newhaven. This included ensuring that: <ul style="list-style-type: none"> ▪ The role of the Board and the Lead Council is clear ▪ The MP was invited to play a role in the design of the TIP ▪ The Board Chair is drawn from the local business community ▪ Other tiers of local government (town and county) are represented ▪ Local businesses are represented on the Board ▪ Communities are given a meaningful role in shaping the future of the Town through engagement. ○ However, one notable gap in the governance arrangements was identified. At the time of the assurance review, the Board did not have an agreed code of conduct; this must set out clear expectations that members will adhere to the Nolan Principles and the code needs to explicitly show alignment with the governance standards and policies of the Lead Council including whistle blowing, conflicts of interest, and complaints. ○ In response, officers have developed a draft code of conduct and register of interest policy based on best practice drawn from other Towns. The code of conduct reflects LDC's own policies relating to conflicts of interest, and incorporates in its annexes: <ul style="list-style-type: none"> ▪ Ten general principles for the Board based on the Nolan Principles ▪ A declaration of interest form for members to complete ▪ A hospitality and gifts form for members to complete 	

	<ul style="list-style-type: none"> ▪ Slightly updated terms of reference (removing any reference to the Coast to Capital Local Enterprise Partnership to which LDC is no longer linked ▪ An updated membership list. <ul style="list-style-type: none"> • The code of conduct was shared for review in advance of the meeting and Members were invited to comment. • The code of conduct was approved. 	
<p>5.0</p>	<p>Presentation by Marc Tomes from Allen Scott on Newhaven Wayfinding and Signage Spatial Masterplan</p> <ul style="list-style-type: none"> ○ CK reminded members that the Board agreed to sign off the business case for <i>'Reconnecting Our Town'</i> at the March meeting. The sign-off has now been confirmed with government, and the first of the main annual payments for the programme was received at the end of last month. ○ The <i>Wayfinding and Visitor Trails</i> project accounts for the majority of the funding for the programme, with the pedestrian crossing linking the railway station to Railway Quay accounting for the remainder. ○ The project will be delivered between now and the end of 2025/26 and is funded with £987k from the Town Deal and £250k from the Future High Streets Fund. The first stage in delivering the project has been to develop a Spatial Masterplan, and this was commissioned with advanced Town Deal funding which the Board agreed at its October meeting. ○ The Masterplan has now been completed, and Marc Tomes from Allen Scott Landscape Architects presented a summary of the Wayfinding & Signage Spatial Masterplan. <i>The slide deck has been provided with the minutes.</i> • CK thanked Mark Tomes for presenting. Providing a clearer definition of wayfinding within this project had been particularly useful. • LR explained that Allen Scott had really understood the brief and had been flexible in their approach. The document can help inform Town Deal spend but also go further and inform potential projects outside of current secured funding; this strategic Masterplan demonstrates our shared long-term vision. 	<p>GMQ to share Allen Scott presentation slides.</p>

	<ul style="list-style-type: none"> ➤ JM was pleased to see a lot of semi-formed ideas developed in the Masterplan. The case made for “greening” of the town to soften the spaces and make them more accessible was particularly encouraging. A lot of places in Newhaven are dominated by concrete and tarmac, making it an extremely unpleasant environment to be in. ➤ JM also said that residents tend to focus a lot on the ring road; in the short term, there is little which can be done to address this, but these smaller interventions could make the wider area more navigable and accessible. ➤ JM suggested that the plan should be presented to Town Councillors. ➤ JM also suggested it would be useful to have signage in other languages e.g. around the port. ➤ JW said that had been few trees shown in the concept drawings. There are local tree warden schemes and a desire for more trees. 	
6.0	<p>Date of Next Meeting</p> <p>The next meeting is scheduled for Friday 19th September.</p>	
7.0	<p>Any Other Business</p> <p>CK and Members sincerely thanked PSha & MH for all their input and endeavours relating to the TIP and Board matters and wished them both well on their departures from Lewes District Council.</p>	