

**Report to:** Lead Cabinet Member for Strategic Management and Economic Development

**Date:** 11 July 2017

**By:** Director of Communities, Economy and Transport

**Title:** Funding Agreement with Eastbourne Borough Council – Devonshire Park Quarter Redevelopment

**Purpose:** To seek approval for the County Council to enter into legal agreements to transfer the Local Growth Fund monies approved by the South East Local Enterprise Partnership to Eastbourne Borough Council to deliver the Devonshire Park Quarter Redevelopment

---

**RECOMMENDATIONS:** The Lead Member is recommended to:

- (1) Approve grant funding, to the value of £5m to Eastbourne Borough Council to fund the delivery of the of the Devonshire Park Quarter Redevelopment; and**
  - (2) Delegate authority to the Director of Communities, Economy and Transport to approve the terms of any agreements and to take all other necessary actions in respect of recommendation 1 above.**
- 

## **1 Background Information**

1.1 In March 2014, the South East Local Enterprise Partnership (SE LEP), which comprises businesses, local authorities and education leaders across East Sussex, Essex, Kent, Medway, Southend and Thurrock, submitted their proposals to Government for a Growth Deal to drive economic expansion in the area over the next 6 years up to 2021. Within this was a specific growth plan for East Sussex focussed around its three growth corridors – Newhaven, A22/A27 Eastbourne/South Wealden and the A21/A259 Bexhill/Hastings Growth Corridor.

1.2 The SE LEP's initial Growth Deal was agreed in July 2014 with a second Growth Deal agreed in February 2015. In April 2016 the Department for Communities and Local Government put out a call to local enterprise partnerships to submit bids for a further Growth Deal.

1.3 In July 2016, the SE LEP submitted a comprehensive and ambitious bid worth £229m featuring 41 projects from across the LEP area. In January 2017, SE LEP's ambition for growth was recognised by government and rewarded with approval of £102m in grants to fund projects included within this third bidding round for LGF monies. East Sussex has been successful in securing £13.2m towards two major schemes, including £5m to the Devonshire Park Quarter (DPQ) Redevelopment, which is being delivered by Eastbourne Borough Council (EBC).

1.4 Within East Sussex, over £88m has now been secured to date towards infrastructure projects, with a particular focus on commercial floorspace and transport schemes that will bring forward new jobs and homes across the county.

## **2 Supporting Information**

2.1 The Devonshire Park Quarter (DPQ) of Eastbourne is an unusual site with a tight cluster of three listed theatres, and an international sports venue, adjacent to a major arts venue in Towner Gallery. The current footfall to the area is in excess of 400,000 people per annum.

2.2 All year round consumer tourists and business visitors are very important for the local economy and make a major contribution to preventing the Eastbourne tourism economy following the downward spiral of many similar coastal towns. In Eastbourne, the sector directly supports 7,800 local jobs and generates over £300m in visitor spending.

2.3 The conference facilities in the Devonshire Park complex are recognised to be outdated and insufficient. DPQ has lost business due in large part to the unsuitability, the lack of capacity and the low

quality of these spaces. Redevelopment of this site will provide a high class conference and exhibition venue that is of major importance to the profile and economy of East Sussex, drawing exhibitors and delegates from the UK and internationally.

2.4 As part of the £44m investment in the area, £16m will be invested in a new “Welcome Building” to provide:

- Single location for visitor / delegate information
- Central box office / conference reception
- Hospitality space
- Two large additional conference spaces

2.5 The proposed project is in line with the East Sussex Growth Strategy (2014-2020), East Sussex Cultural Strategy (2013-2023), Eastbourne Borough Corporate Plan 2010-2015 and the Eastbourne Cultural Innovation Strategy.

2.6 The redevelopment is being led by EBC who are providing the majority of the match funding for the project. Following assessment by the SE LEP’s Independent Technical Evaluator (ITE) to ensure the scheme represented good value for money, the business case for the project was approved by the SELEP’s Accountability Board on 31 March 2017. £5m of LGF monies will be allocated to the scheme with £3.4m in 2017/18 financial year and £1.6m in 2018/19.

2.7 The terms of the grant agreement with EBC will be in accordance with those between Essex County Council, as SE LEP’s Lead Accountable Body (LAB), and the County Council, as the local partner for the delivery of the scheme under the terms of the SE LEP Assurance Framework (2017) signed up to and previously agreed by the County Council. The County Council will be using its general power of competence under the Localism Act 2011, and all other enabling powers, to make the grants to EBC. EBC will be responsible for reporting any changes to project budgets and indemnifying against any additional costs that may be incurred.

### **3 Conclusion and Reasons for Recommendations**

3.1 Devonshire Park Quarter in Eastbourne is a cultural and sporting, town centre destination, in a key position linking the rail station and the sea front. It already enjoys success from an internationally renowned Tennis Centre, three theatres and a contemporary art gallery. The redevelopment of the area is critical to Eastbourne’s ambitions for their visitor economy and conference offering and is in line with the East Sussex Growth Strategy (2014-2020) and East Sussex Cultural Strategy (2013-2023).

3.2 The Lead Member is therefore recommended to approve the awarding of the grant of £5m of Local Growth Fund (LGF) monies to Eastbourne Borough Council and delegate authority to the Director of Communities, Economy and Transport to agree the terms of the legal agreements between the County Council and EBC, and take all other necessary actions to give effect to this grant.

**RUPERT CLUBB**

Director of Communities, Economy and Transport

Contact Officer: Ben Hook

Tel. No. 01273 336408

Email: [ben.hook@eastsussex.gov.uk](mailto:ben.hook@eastsussex.gov.uk)

#### LOCAL MEMBERS

Councillors Taylor

#### BACKGROUND DOCUMENTS

None