

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

Date: 21 April 2020

By: Director of Communities, Economy and Transport

Title: Eastbourne Fisherman's Quayside and Infrastructure Development Project: Local Growth Fund Round 3b – Grant Agreement

Purpose: To seek approval for East Sussex County Council to enter into a Grant agreement to transfer the Local Growth Fund Round 3b monies as approved by the South East Local Enterprise Partnership (SE LEP) to the Eastbourne Fisherman's Quayside and infrastructure development project

RECOMMENDATIONS: The Lead Member is recommended to:

1. Approve grant funding to the value of £1.08m to the Eastbourne under 10m Fishermen's Community Interest Company (Eu10CIC) to fund the delivery of Eastbourne Fisherman's Quayside and infrastructure development project (subject to the approval of the business case by the SELEP Accountability Board on 3 July 2020);
 2. Delegate authority to the Director of Communities, Economy and Transport to agree the terms of the grant agreement and to take all other necessary actions in respect of Recommendation 1.
-

1. Background Information

1.1 In March 2014, the South East Local Enterprise Partnership (SELEP), 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 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 SELEP's initial Growth Deal was agreed in July 2014 with subsequent Growth Deals agreed in February 2015, March 2016 and February 2017. The total amount of funding provisionally allocated through these Growth Deals to SELEP by Central Government was £570m. Of this, £561.7m had been allocated to 97 Local Growth Fund (LGF) projects. Within East Sussex, over £80m of SELEP LGF monies was initially secured towards delivering economic growth and infrastructure projects. On 29 June 2018, SELEP's Strategic Board agreed to issue an open call - LGF Round 3b - for the unallocated £8.3m of LGF funding for projects which supported its strategic objectives and would form a strong 'short-term' pipeline of priority investments. The SELEP Investment Panel announced the outcome of the call at its 8 March 2019 meeting, from which East Sussex secured £5.358m of LGF monies towards three projects. The remaining schemes then formed SELEP's prioritised pipeline of projects should potential further LGF funding come available from underspends.

1.3 On 28 June 2019 the SELEP Investment Panel confirmed the total LGF Round 3b funding available for reinvestment had increased to £15.158m. From the pipeline of LGF Round 3b projects, a further £0.96m was secured towards a separate project in the county. On 14 February

2020, the SELEP Accountability Board confirmed the return of an additional £11.13m of LGF monies from other projects in the SELEP region to be reallocated through the LGF Round 3b pipeline. Consequentially, this enabled the next tranche of pipeline projects to be brought forward including two East Sussex projects – a further £0.6m towards Exceat Bridge and £1.08m towards Eastbourne Fisherman's Quayside and Infrastructure Development Project, subject to the submission of business cases which demonstrated that the schemes represented high value for money.

1.4 Essex County Council (ECC), as the lead accountable body for the SELEP, issues funds on a project by project basis to the relevant upper tier authority through grant agreements, in this case East Sussex County Council. It is then the responsibility of the upper tier authority to defray funds and monitor progress for each individual project. The County Council mitigates the risk of repayment of grant award should the project not proceed to full delivery through grant agreements with individual projects.

2. Supporting Information

2.1 The 'Eastbourne Fisherman's Quayside & Infrastructure Development project' will result in the construction of a Fisherman's Quay at Sovereign Harbour to develop local seafood processing infrastructure that supports long term sustainable fisheries and the economic viability of Eastbourne's inshore fishing fleet. The project comprises 3 distinct phases - to provide processing infrastructure (phase 1), administrative offices (phase 2) and a visitor & heritage centre (phase 3). The project aims to maximise local economic benefits from fishing activity with a final aspiration to be a vibrant, multi-purpose destination combining a sustainable fishing industry for the local area with a heritage visitor destination. The total scheme costs £1.46m with match funding of £0.24m from East Sussex Invest (£0.2m loan and £0.04m grant) and £0.07m from the Eastbourne under 10m Fishermen's Community Interest Company (Eu10CIC's) own funds.

2.2 The project has previously secured £1.15m Growing Places Fund (GPF) loan from the SELEP to deliver the distinct first phase of the scheme. A further £1 million has already been secured from the European Maritime and Fisheries Fund (EMFF) grant funding which is being used to to deliver phase 1 of the scheme.

2.3 The LGF 3b funding allocation of £1.08m will enable phases 2 and 3 to be completed, with each phase being capable of being implemented independently, although most of the benefits are captured by phase 3. The project as a whole will safeguard 72 fishing jobs, support 4 net additional jobs within the visitor centre, and attract 3,200 additional visitors to the SELEP region. The LGF Round 3b funding allocation is subject to the approval of a business case which will be considered at SELEP's Accountability Board on 3 July 2020.

3 Conclusion and Reasons for Recommendations

3.1 The Eastbourne Fisherman's Quayside and Infrastructure Development project supports the delivery of the SELEP's strategic objectives as outlined in the LEP's Economic Strategy Statement 2019 and emerging Local Industrial Strategy, the East Sussex Growth Strategy strategic priorities and the County Council's core priorities in 'driving sustainable economic growth' and 'making best use of resources by maximising the funding available through external bidding'.

3.2 Following the award of £1.08m grant funding to East Sussex from the SELEP Local Growth Fund Round 3b programme, the Lead Member is asked to approve its allocation to the Eastbourne under 10m Fishermen's Community Interest Company (Eu10CIC), subject to approval of the business case by the SELEP Accountability Board on 3 July 2020, to fund the delivery of the Eastbourne Fishermen Quayside and Infrastructure Development project.

3.3 The Lead Member is also asked for approval to delegate authority to the Director of Communities, Economy and Transport to agree the terms of any agreements and to take all other necessary actions in respect of the above recommendation.

RUPERT CLUBB

Director of Communities, Economy and Transport

Contact Officer: Marwa Al-Qadi

Tel. No. 01273 336439

Email: marwa.al-qadi@eastsussex.gov.uk

LOCAL MEMBERS

Councillor Elkin

BACKGROUND DOCUMENTS

None