



LEADER AND LEAD MEMBER FOR STRATEGIC MANAGEMENT AND ECONOMIC DEVELOPMENT

DECISIONS to be made by the Leader and Lead Member for Strategic Management and Economic Development, Councillor Keith Glazier

WEDNESDAY, 18 DECEMBER 2024 AT 11.00 AM

REMOTE MEETING VIA MICROSOFT TEAMS

AGENDA

1. Decisions made by the Lead Cabinet Member on 17 September 2024 (*Pages 3 - 6*)
2. Disclosure of Interests
Disclosure by all Members present of personal interests in matters on the agenda, the nature of any interest and whether the Members regard the interest as prejudicial under the terms of the Code of Conduct.
3. Urgent items
Notification of any items which the Lead Member considers urgent and proposes to take at the appropriate part of the agenda.
4. Eastbourne Town Centre Movement and Access Package - Phase 2a project change request (*Pages 7 - 16*)
Report by the Director of Communities, Economy and Transport
5. Any urgent items previously notified under agenda item 3

PHILIP BAKER
Deputy Chief Executive
County Hall, St Anne's Crescent
LEWES BN7 1UE

10 December 2024

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NOTE: *As part of the County Council's drive to increase accessibility to its public meetings, this meeting will be broadcast live on its website. The live broadcast is accessible at:*
www.eastsussex.gov.uk/yourcouncil/webcasts/default

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LEADER AND LEAD MEMBER FOR STRATEGIC MANAGEMENT AND ECONOMIC DEVELOPMENT

DECISIONS made by the Leader and Lead Member for Strategic Management and Economic Development, Councillor Keith Glazier, on 17 September 2024 at Remote Meeting via Microsoft Teams

Councillors Denis, Tutt and Wright spoke on item 4 (see minute 10)

Councillors Denis, Hilton, Hollidge, Tutt and Wright spoke on item 5 (see minute 11)

6. DECISIONS MADE BY THE LEAD CABINET MEMBER ON 19 JULY 2024

6.1 The Lead Member approved as a correct record the minutes of the meeting held on 19 July 2024.

7. DISCLOSURE OF INTERESTS

7.1 There were none.

8. URGENT ITEMS

8.1 There were none.

9. REPORTS

9.1 Reports referred to in the minutes below are contained in the minute book.

10. LOCAL GROWTH FUND - EASTBOURNE AND SOUTH WEALDEN WALKING AND CYCLING PACKAGE

10.1 The Leader and Lead Member considered a report by the Director of Communities, Economy and Transport.

DECISIONS

10.2 The Leader and Lead Member RESOLVED to approve the revised Local Growth funded Eastbourne and South Wealden Walking and Cycling Package comprising Eastbourne Cycle Parking Phase 2; Eastbourne town centre to seafront cycle route and Horsey cycle route phase 1b for progression to detailed design and construction in 2024/25 and 2025/26 through the County Council's Capital Programme for Local Transport Improvements.

REASONS

10.3 Since the County Council secured £6.6m of Local Growth Fund monies from the South East Local Enterprise Partnership towards the development and delivery of the Eastbourne and South Wealden Walking and Cycling Package in 2015/16, significant progress has been made in progressing each of the schemes towards delivering walking and cycling improvements, aimed at supporting economic growth across Eastbourne and South Wealden.

10.4 Due to significant increases in costs across the construction sector because of high inflation, the cost to deliver the remaining schemes in the initial Local Enterprise Partnership approved package exceeded the £1.929m remaining funding.

10.5 A comprehensive cost estimate, prioritisation and business case review exercises as well as engagement with key stakeholders, as set out in paragraphs 2.5 to 2.17 of the report, have been undertaken to identify a revised package which is affordable within the remaining Local Growth Fund monies and deliverable by the current Local Growth Fund spend deadline of March 2026.

11. EAST SUSSEX DEVOLUTION PROPOSAL

11.1 The Leader and Lead Member considered a report by the Chief Executive.

DECISIONS

11.2 The Leader and Lead Member RESOLVED to:

- 1) Note the invitation from Government to submit a devolution proposal; and
- 2) Approve the draft letter (Appendix 3 of the report) and Expression of Interest (Appendix 4 of the report) which respond to the invitation from Government.

REASONS

11.3 Government recently wrote to all upper tier authorities in England without devolution deals to invite them to consider a devolution proposal for their area, with the opportunity to submit an Expression of Interest by the end of September.

11.4 Whilst devolution has been progressed by previous Governments, new legislation will allow local areas to formally request additional powers, replacing the previous deal-based approach.

11.5 It is proposed that the County Council, with the support of the district and borough councils, submits an Expression of Interest for devolved powers based on the existing East Sussex geography.

11.6 Devolution provides opportunities to support medium and long term local economic growth through opportunities for funding and new powers in areas including transport, adult education, planning and economic development. However it is not anticipated that it would help to overcome the severe financial constraints faced by the County Council in the short term.

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Report to:	Leader and Lead Member for Strategic Management and Economic Development
Date of meeting:	18 December 2024
By:	Director of Communities, Economy, and Transport
Title:	Eastbourne Town Centre Movement and Access Package – Phase 2a project change request
Purpose:	To consider the project change request and updated business case for Phase 2a of the Eastbourne Town Centre Movement and Access Package

RECOMMENDATIONS: The Leader and Lead Member is recommended to approve the project change request and updated business case for Eastbourne Town Centre Movement and Access Package Phase 2a and note the project starting construction in 2025/26.

1 Background

1.1. In 2014 East Sussex County Council secured £6m of Local Growth Fund (LGF) from the South East Local Enterprise Partnership (SELEP) towards the Eastbourne Town Centre Movement and Access Package (ETCMAP). An additional £2m of LGF was reallocated to the package in 2017, bringing the total available to £8m.

1.2. £5m of the ETCMAP was allocated towards the delivery of the Eastbourne Town Centre Improvement Scheme (Phase 1) which completed in January 2020. Following extensive stakeholder led engagement to develop a pipeline of potential movement and access improvements for Eastbourne town centre, the second phase of the package focussed on:

- Upgrading the existing Terminus Road pedestrianised area from 'Bankers Corner' (the junction of Terminus Road with Cornfield Road) through to the junction with Langney Road;
- Introducing a new pedestrianisation section of Terminus Road; and
- Creating a new pedestrianised civic space outside Marks and Spencer.

1.3. The initial business case for Phase 2a of the ETCMAP (previously referred to as Phase 2) was completed in January 2019 and secured the remaining £3m of LGF funding at the SELEP Accountability Board on 23 February 2019.

1.4. A public consultation on the Phase 2 proposals was carried out between November and December 2019 with the outcomes presented to the Lead Member for Transport and Environment at a decision-making meeting on 22 April 2020. The Lead Member resolved that the ETCMAP should progress to detailed design and construction stages. The final detailed design was subsequently approved by the Lead Member for Transport and Environment at a decision-making meeting on 19 July 2021, following consideration of an e-petition submitted by local businesses and a review of accessibility and blue badge parking within the vicinity of the scheme.

1.5. Since the award of the LGF funding for the project in 2019, the construction sector has faced a significant rise in material costs, supply chain disruptions, and labour shortages, exacerbated by both the pandemic and the conflict in Ukraine. These factors have contributed to significant unexpected budget increases for Phase 2a of the Eastbourne Town Centre Improvement Scheme. This situation has also been experienced on similar Local Growth Funded packages being delivered by the County Council which have been reviewed and re-scoped to fit within their respective funding envelopes.

1.6. Following the Government's decision to transfer LEP responsibilities to upper tier local authorities from April 2024, the County Council is now the Accountable Body for legacy SELEP projects in East Sussex. As such, any Project Change Requests from this date onwards relating to

the LGF, or other SELEP legacy programmes, will be managed through East Sussex County Council internal governance processes, with the Ministry of Housing, Communities and Local Government (MHCLG) informed of any decisions.

1.7 Currently an East Sussex Local Growth Assurance Framework is being drafted that will outline new processes and procedures to manage these local responsibilities being transferred from SELEP to the County Council. Until this is finalised and approved, any project changes need to be approved by the Lead Member for Strategic Management and Economic Development.

1.8 As with previous East Sussex County Council led projects that have received SELEP funding and required changes from the original business case, such as the Hastings and Bexhill Movement and Access Package, the updated business case has first been presented to the Lead Member for Transport and Environment. On 18 November 2024 the Lead Member resolved to approve the revised scope for Eastbourne Town Centre Movement and Access Package Phase 2a and moving forward to construction in 2025/26 subject to final approval of the business case and project change request by the Lead Member for Strategic Management and Economic Development

2 Supporting information

2.1 The project change request form outlining the alterations made from the original business case is available at Appendix 1. The SELEP Accountability Board approved amending the project completion date to May 2026 at their meeting on 16 February 2024.

Funding Constraints

2.2 The County Council has made considerable efforts to reduce the funding gap for the project. In 2022/23, £0.8m was allocated from the County Council's capital programme for local transport improvements towards the delivery of the Town Centre Phase 2a scheme. A further £0.715m was allocated in the 2023/24 capital programme for local transport improvements towards the scheme and an allocation of £0.3m was included in the capital programme approved by the Lead Member for Transport and Environment in March 2024. In 2023/24 an additional £0.75m was secured via the Active Travel England 4 fund.

Funding Source	Total (£m)
Local Growth Fund	3.000
Capital Programme of Local Transport Improvements:	
2022/23	0.909
2023/24	0.719
2024/25	0.300
Active Travel England	0.750
TOTAL	5.678

2.3 In addition, £0.377m from the capital programme of local transport improvements was used on the development of the scheme prior to the business case being approved in 2019.

2.4 The total budget for the project is £6.055m of which £2.461m has been spent to date (as at end September 2024) on the preliminary and detailed design, topographical and underground surveys, engagement with statutory utility providers and the purchase and storage of granite surface materials. There is a remaining budget of £3.594m to complete the scheme.

2.5 Long term maintenance of the scheme is expected to be incorporated into the East Sussex Highways asset management programme.

Design Review

2.6 The County Council, working with their highways contractor Balfour Beatty Living Places, has undertaken a comprehensive design review of the Phase 2a scheme. This identified that the cost for completing the scheme was £4.6m, nearly £1m over the current funding envelope. Therefore, consideration has been given as to whether there are options for descoping and/or value engineering the scheme as well as exploring other available funding sources.

2.7 With significant pressures on existing County Council funding sources such as the capital programme of local transport improvements, and no current identified external funding sources available, an assessment has been undertaken to determine the extent of the previously designed scheme that can be delivered with the remaining available funding. Following this review process, and to remain within the available funding envelope, it is proposed that new surface materials and changes to the road layout, on Terminus Road between M&S/Millets to Langney Road are de-scoped. However, as there are no plans to deviate from the original detailed design, should further funding become available the following improvements will be delivered:

- Upgrading of the existing pedestrianised area with high quality materials, similar to Phase 1, as well as new street furniture and additional planting along Terminus Road between its junction with Cornfield Road (Bankers Corner) and its junction with Bolton Road, and converting it from a pedestrian/cycle zone into a pedestrian zone;
- Creating a new pedestrian zone along Terminus Road between Bolton Road and Langney Road with the continuation of new surface materials from the existing pedestrianised area through to Marks and Spencer/Millets, and removing the existing one-way through traffic movement;
- Installing a turning head at the top end of Bolton Road and converting the lower end of Bolton Road to two-way traffic;
- Installing a turning head at the bottom end of Langney Road and converting the upper end of Langney Road to two-way traffic;
- Changes to existing parking provision along Bolton Road, Terminus Road and Langney Road with an emphasis on blue badge, loading and taxi parking in the available bays; and
- Converting four short term parking bays on Tideswell Road and three doctor permit bays on Lismore Road to provide additional blue badge parking provision, offsetting the majority of the nine blue badge parking bays lost from Terminus Road and Langney Road.

2.9 By focusing resources on the most critical elements of the project, the County Council can still deliver the core improvements and outcomes set out in the original business case that will benefit the local community and businesses, and still achieve its primary objectives of:

- Improving pedestrian safety and accessibility (ease of movement for disabled people and/or older people, families with pushchairs etc.) by reallocating road space to pedestrians;
- Creating a continuous pedestrian 'spine route' through the primary retail area of Eastbourne Town Centre along Terminus Road between Eastbourne Station and Langney Road;
- Support economic regeneration by making the town centre more attractive for businesses, residents, and visitors.

2.10 The full extent of Phase 2a has been developed to a detailed design stage. Whilst the proposed civic space between M&S/Millets and Langney Road is not being included in this stage of works, the closure of Bolton Road and Langney Road to effectively pedestrianise Terminus Road does not preclude that civic space from coming forward in the future, subject to further funding being secured.

Updated business case

2.11 The business case for Eastbourne Town Centre Phase 2a has been updated to reflect the revised scheme scope as set out above. This includes a value for money assessment which appraises the benefits of active travel trips generated by the scheme in relation to health, journey quality and mode shift using:

- The Government's Active Mode Appraisal Toolkit (AMAT); and
- Transport for London's (TfL) Ambience Benefit Calculator which relates to improvements to the overall travel 'environment' when undertaking journeys and is based on market research into how much per trip a passenger is willing to pay for improvements.

2.12 The outputs of the economic appraisal of the updated business case, using the assessment tools highlighted above, show that the scheme still represents very high value for money (VfM) with

a benefit cost ratio (BCR) of 4.03:1, significantly above the originally required level of 2:1. In addition, the appraisal identified various non-monetised benefits including:

- Noise – slight benefits with the pedestrianisation and upgrading of Terminus Road potentially encouraging vehicle users to switch to walking, leading to fewer car journeys and therefore reduction in noise level.
- Air Quality – slight benefits to air quality with the transference of car to walking trips through the delivery of the scheme.
- Greenhouse Gases – the reduction in car trips and greater number of walking trips will generate slight benefits by reducing greenhouse gas emissions.
- Townscape – the significant townscape improvements will offer large benefits by creating more pleasant journeys as well as property owner benefits from higher property prices and rateable values.
- Accidents – moderate benefits will be generated with less car journeys in the town centre through the pedestrianisation of the section of Terminus Road between Bolton Road and Langney Road leading to fewer accidents.
- Physical activity – moderate benefits will be generated by increased physical activity levels being encouraged by modal shift to walking for existing trips.
- Security- the additional and upgraded lighting will serve to reduce crime and anti-social behaviour and improve perceptions of personal safety generating large benefits.
- Severance – the pedestrianisation of the section of Terminus Road between Bolton Road and Langney Road expands the pedestrian spine through the town centre linking the rail station and seafront. The scheme will generate moderate benefits by reducing the severance for pedestrians who previously had to navigate across the current vehicle dominated environment with the one-way route transversing through this section of Terminus Road.

2.13 An Equality Impact Assessment was undertaken as part of the original business case. This will be updated during the construction phases of the remaining scheme.

Consultation and Engagement

2.14 County Council officers have continued to keep local Councillors, Borough Council officers, the Eastbourne Business Improvement District (BID) Team and the Eastbourne Chamber of Commerce informed on the progress of the scheme and the rescoping exercise. Officers will continue to work closely with them and wider stakeholder groups including local businesses as the package approaches Traffic Regulation Order and construction stages which are currently programmed for 2025/26 to ensure that all stakeholders are kept updated with key developments in the programme.

3. Conclusion and reasons for recommendations

3.1 Since the County Council secured £3m of LGF from SELEP towards the development and delivery of Phase 2a of the Eastbourne Town Centre Movement and Access Package (ETCMAP) in 2018, significant progress has been made on the design proposals for pedestrian improvements on Terminus Road between Bankers Corner (the junction with Cornfield Road) and Langney Road, aimed at supporting economic growth in Eastbourne Town Centre.

3.2 Additional funding has previously been secured from Active Travel England and allocated from the County Council's capital programme of local transport improvements to increase the overall available funding to develop and deliver the Phase 2a scheme. However, scheme development and construction costs have increased significantly across the sector because of high inflation, the war in Ukraine and delays due to the Covid-19 pandemic.

3.3 Following a comprehensive design and cost review of the original Phase 2a scheme's scope, the cost to deliver the remaining schemes exceeds the £3.6m remaining funding. With no other funding sources available to address the scheme's funding gap, a descoping exercise has been undertaken to identify which elements of the existing scheme could be delivered in the current funding envelope. This revised scope for Phase 2a has been approved by the Lead Member for Transport and Environment.

3.4 The project change request and corresponding updated business case for the revised Phase 2a scope demonstrates that the proposed revised scheme continues to represent very high value for money, with a benefit to cost ratio of 4.03, alongside delivering other non-monetised benefits. Therefore, the re-scoped scheme would continue to meet the original goals of creating a more pedestrian-friendly environment and supporting the town centre's overall attractiveness that drives footfall, boosts local commerce, and contributes to the long-term vitality of Eastbourne's economy.

3.5 The Leader and Lead Member is therefore recommended to approve project change request and updated business case for Phase 2a and note that construction will proceed in 2025/26 and that MHCLG will be informed of the change to the project scope.

RUPERT CLUBB

Director of Communities, Economy and Transport

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LOCAL MEMBERS

Councillor Holt

Councillor Wright

BACKGROUND DOCUMENTS

Phase 2a Eastbourne Town Centre Movement & Access Business Case

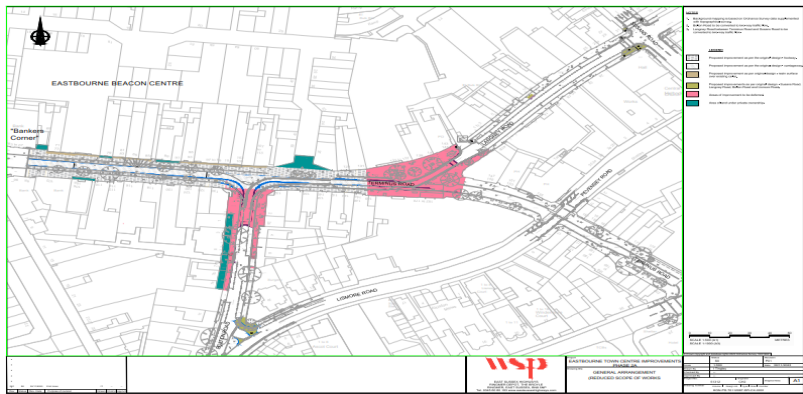
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Project Change Request

Section A – Details

Project Name	Eastbourne Town Centre Movement and Access Package Phase 2a
Lead Officer	Isobel Kellett
Lead Authority	East Sussex County Council
Date Submitted	21 November 2024

Section B – Justification

Description of Change	<p>Change of scope.</p>  <p>The pedestrianisation will now finish at the meeting point of Bolton Road/Terminus Road and at 133/146 Terminus Road. However, the change to two-way traffic on Bolton Road and Langney Road will remain the same.</p>
Reason for Making Change	<p>Since the award of the South East Local Enterprise Partnership Local Growth Funding for the project in 2019, the construction sector has faced a significant rise in material costs, supply chain disruptions, and labour shortages, exacerbated by both the pandemic and the conflict in Ukraine. These factors have contributed to significant unexpected budget increases for Phase 2a of the Eastbourne Town Centre Improvement Scheme.</p>
Alternative Options Considered	<p>The County Council, working with its highways contractor, Balfour Beatty Living Places, has undertaken a comprehensive design review of the Phase 2a scheme which identified that the cost for completing the scheme was nearly £1m over the current funding envelope. Therefore, consideration has been given as to whether there are options for descoping and/or value engineering the scheme as outlined in the updated business case.</p> <p>The County Council has made considerable efforts to reduce the funding gap for the project:</p> <ul style="list-style-type: none"> • In 2022/23, £0.8m was allocated from the County Council’s capital programme for local transport improvements towards delivery of the scheme.

	<ul style="list-style-type: none"> • A further £0.715m was allocated in the 2023/24 capital programme for local transport improvements towards the scheme • An allocation of £0.3m was included in the capital programme approved by the Lead Member in March 2024. • In 2023/24 an additional £0.75m was secured via the Active Travel England 4 fund. <p>All efforts have been taken to explore additional funding opportunities but currently no other funding sources are available.</p>
Stakeholders Consulted	County Council officers have continued to keep local Councillors, Borough Council officers, the Eastbourne Business Improvement District (BID) Team and the Eastbourne Chamber of Commerce informed on the progress of the scheme. Officers will continue to work closely with these key stakeholders and wider interest groups, including local businesses, as the package approaches Traffic Regulation Order and construction stages.

Section C - Impact

Impact on total project cost (include updated spend profile)	<p>No change to total project cost.</p> <p>Spend profile:</p> <table border="1"> <thead> <tr> <th rowspan="2">Funding source</th> <th colspan="5">Expenditure forecast (£'000s)</th> </tr> <tr> <th>Spend to date</th> <th>2024/2025 (from October)</th> <th>2025/2026</th> <th>2026/2027</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>LGF</td> <td>1,332</td> <td>0</td> <td>1,668</td> <td>0</td> <td>3,000</td> </tr> <tr> <td>Active Travel Fund 4</td> <td>231</td> <td>266</td> <td>253</td> <td>0</td> <td>750</td> </tr> <tr> <td>ESCC Capital Programme</td> <td>898</td> <td>0</td> <td>756</td> <td>651</td> <td>2,305</td> </tr> <tr> <td>Total funding requirement</td> <td>2,461</td> <td>266</td> <td>2,677</td> <td>651</td> <td>6,055</td> </tr> </tbody> </table>	Funding source	Expenditure forecast (£'000s)					Spend to date	2024/2025 (from October)	2025/2026	2026/2027	Total	LGF	1,332	0	1,668	0	3,000	Active Travel Fund 4	231	266	253	0	750	ESCC Capital Programme	898	0	756	651	2,305	Total funding requirement	2,461	266	2,677	651	6,055
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Impact of LGF allocation	No impact on LGF allocation																																			
Impact of project delivery timescales (include updated delivery programme)	<p>Updated delivery programme:</p> <ul style="list-style-type: none"> • Tender preparation – December 2024 • Traffic Regulation Order statutory public consultation – January 2025 • Planning Committee – June 2025 • Mobilise/ main construction stage – June 2025 – May 2026. 																																			
Impact on project outputs and outcomes	New surface materials and changes to the road layout, including the creation of a public space outside Marks and Spencer (M&S), on the section of Terminus Road																																			

	between M&S/Milletts to Langney Road are proposed to be descoped from the original design.
Impact on project Value for Money	The outputs of the economic appraisal of the updated business case show that the scheme still represents very high value for money (VfM) with a benefit cost ratio (BCR) of 4.03:1.
Impact on project objectives	The Eastbourne Town Centre Movement and Access Package Phase 2a objectives remain unchanged and the there is no plan to deviate from the original detailed design. Once funding become available it is anticipated that the remaining sections of the design would be completed.

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