

Report to:	Cabinet
Date of meeting:	29 September 2022
By:	Director of Communities, Economy and Transport
Title:	Draft response to Transport for the South East's (TfSE) Strategic Investment Plan (SIP)
Purpose:	To advise Cabinet of the County Council's response to TfSE's consultation on their draft SIP.

RECOMMENDATION:

Cabinet is requested to consider and approve the County Council's draft proposed response to the TfSE consultation on their draft SIP as out in paragraphs 2.11 – 2.28.

1 Background Information

Establishment of TfSE

1.1 Transport for the South East (TfSE) is the Sub-national Transport Body (STB) for the South East of England. Established in 2017, TfSE is made up of 16 local transport authorities (including Brighton and Hove, East Sussex, Hampshire, Isle of Wight, Kent, Medway, Portsmouth, Southampton, Surrey, and West Sussex and the six unitary authorities of Berkshire) five local enterprise partnerships (LEPs) plus representatives of district & borough authorities, protected landscapes, and national delivery agencies such as Network Rail and National Highways (formerly Highways England).

1.2 Its purpose is to determine the transport infrastructure needs required to boost the region's economy and to communicate these priorities and the case for investment in the South East with 'one voice' to government.

TfSE Transport Strategy

1.3 The work of TfSE was launched with an initial focus on the development of an ambitious Transport Strategy. The County Council alongside other local authorities and key partners were critical in providing input into the development of this and it was published in summer 2020 - [TfSE-transport-strategy-Summary-Document.pdf \(transportforthesoutheast.org.uk\)](#).

1.4 The Strategy sets out a shared vision for a 'better connected, more prosperous and a more sustainable South East by 2050'. The vision is underpinned by three strategic goals:

- Environment – protect and enhance the South East's unique natural and historic environment including reducing carbon emission to net zero by 2050 at the latest
- Social – improve health, safety, wellbeing, quality of life and access to opportunities for everyone
- Economic – improve productivity and attract investment to grow our economy and better compete in the global marketplace

Area and thematic based studies

1.5 Following the adoption of their Transport Strategy, TfSE have undertaken a series of geographic based studies focussed on the most important economic corridors in the region alongside several thematic studies relating to Decarbonisation, Levelling Up, Rail, Bus Mass Transit & Shared Mobility, Strategic Active Travel & Micromobility and Highways. Fundamentally the outcome of the area studies and thematic studies have supported the identification of the

transport interventions in specific areas of the TfSE geography and global policy initiatives which has formed the basis for the TfSE Strategic Investment Plan (SIP).

SIP's Strategic Fit with Council Priorities

1.6 The SIP will be at the forefront of taking positive action to support several current and long-term challenges and opportunities including climate change, economic recovery and growth alongside supporting improvements to quality of life, health and wellbeing. This will provide opportunities and benefits to businesses and residents in East Sussex and the south-east, both immediately and in medium / long term future.

1.7 It will align with the County Councils' four core priorities and will influence the emerging Local Transport Plan (LTP4). It also has good synergy with the Environment Plan, the East Sussex Climate Emergency Plan, the East Sussex Whole System Healthy Weight Plan, the Local Cycling & Walking Infrastructure Plan, the Bus Service Improvement Plan, the East Sussex Growth Strategy, as well as the District & Borough Local Plans.

2 Supporting Information

Introduction

2.1 TfSE's SIP provides a framework for delivering their Transport Strategy by outlining the structure for investment in strategic transport infrastructure, services, and regulatory interventions to 2050. As set out in the legislation to establish STBs, the SIP as a regional plan is intended to provide advice to the Secretary of State for Transport on the investment priorities across the TfSE geography. This is underpinned by a robust evidence base which will also support and link to partner's own local strategies and plans such as Local Transport Plans.

2.2 The SIP is supported by eight investment priorities. These comprise of four high level 'policy-based investment priorities – 'Decarbonisation & Environment; Adapting to a new normal; Levelling up left behind communities, and Regeneration & Growth' - alongside four 'transport related investment priorities - World class urban transport systems; Transforming east- west connectivity; Resilient radial corridors and Global gateways and freight'.

Investment Packages

2.3 The draft SIP outlines two types of investment packages. Firstly, the global policy interventions package which consist of national regulatory and policy activity which will be delivered across the South East such as:

- **decarbonising transport** to deliver a faster trajectory towards net-zero than current trends
- **making the cost of public transport fares more attractive** alongside ticketing integration between modes and providers
- **new mobility** such as electric bikes/scooter hire schemes in key towns and communities which are integrated with other modes
- **virtual access** to help reduce demand for transport services
- **integration across and between all modes of transport** in terms of infrastructure, services, ticketing, and accessibility
- **road user charging** as an alternative source of funding to fuel duty which will reduce from 2030 with the proposed ban on petrol/diesel vehicles being sold

2.4 Secondly there are the place-based packages of multi modal (highways, rail, mass transit/bus, active travel) interventions with three of the four area packages covering parts of East Sussex:

- **Solent and Sussex Coast** – A27/A259 and Coastway rail corridors
- **London - Sussex Coast** – M23/A23, A22, A26 and A272, and Brighton Mainline, Uckfield rail corridors
- **Kent, Medway and East Sussex** – A21, A259 east of Hastings and Marshlink rail corridors

2.5 The content of each of these packages is set out in **Appendix 1**.

2.6 The SIP highlights that the estimated total capital cost of the overall investment packages for the South East is £45 billion over 27 years. This equates to about £1.5bn a year, which is broadly in alignment with current investment levels in transport in the south east. This would deliver 21,000 additional new jobs; an additional £4bn in GVA each year by 2050 and result in a reduction of 1.4 mega tonnes of CO2 being emitted.

Funding and Financing

2.7 The TfSE SIP outlines the importance of setting out the options for funding and financing the proposed interventions over time and ensuring value for money. It recognises that this will need to be through a combination of government funds and identifying new and potentially innovative approaches.

2.8 Interventions which support strategic connectivity are largely funded through use of farebox revenues and government grants or competitive bids. These funders are facing competing priorities, national challenges, and technological change in transport which will have an impact on their ability to provide future funding. However, the SIP recognises that an element of this funding is likely to remain, especially government funding for both rail (Network Rail) and road (National Highways) and local authority grant programmes for public transport and active travel.

2.9 Considering the likely funding challenges outlined above which the SIP is recommending more innovative funding solutions will need to be explored, A wide range of beneficiaries including the business sector, education sector, and local communities across the South East will benefit from a significant uplift across the South East in productivity and employment, a reduction in environmental impacts and improvements to quality of place as referred to in section 2.6.

2.10. Therefore, TfSE is recommending that the case be explored for developing a fair and proportionate contribution from the beneficiary groups identified above. However, this will require significant partnership working with the full spectrum of these beneficiaries alongside the likely need for nationwide reform of local funding powers. This would need to involve tools to enable the monetisation of the share of the specific value that a project would deliver to beneficiary groups to either supplement government funding or eventually replace this.

County Council response to TfSE SIP consultation

2.11 TfSE's public consultation on its SIP commenced on 20 June 2022 and runs to 12 September 2022. A report will be presented to the County Council's Cabinet on 29 September with the County Council's proposed response. Given this is after the end of the consultation, the County Council's proposed consultation response will be submitted by 12 September 2022 to TfSE as an interim response which will be updated as necessary following consideration by Cabinet. TfSE have been notified of this.

2.12 The County Council response to the TfSE SIP consultation is outlined in Appendix 2. The response is summarised below:

SIP making best case possible for investing in transport infrastructure

2.13 Overall we are supportive of TfSE's SIP and we will not be suggesting any major amendments to the proposed interventions identified in the various package areas. The SIP has been developed utilising a robust technical evidence base and as one of the constituent authorities, we have had a key role in supporting its development from the outset providing input and making the case for the inclusion of interventions which will provide significant economic and regeneration benefits to our communities and places and our East Sussex residents, businesses, and visitors. Therefore, we agree that that the SIP makes the best case possible for investing in transport infrastructure in East Sussex and the wider South East.

2.14 It is important to note that the TfSE Strategy and SIP will be reflected in the forthcoming review of our Local Transport Plan and will be used to help shape our transport policies and the inclusion of strategic interventions identified within the SIP investment packages.

SIP Investment Priorities

2.15 In relation to the eight SIP's investment priorities as set out in section 2.2, we agree that they are all important either combined or individually. The four policy-based investment priorities will be critical for both the region and East Sussex in supporting the delivery of sustainable economic growth. We also recognise that there will be a need for greater urgency and emphasis on these four priorities, especially 'Decarbonisation & Environment and Levelling Up' from the outset.

2.16 Regarding the outcome-based transport priorities, our proposed response highlights the importance of these in support of the integration between transport and land use planning across the county. Whilst we agree with the priorities, we do suggest that clarification is included in the SIP in relation to the differences and inter-relationship between the initial four policy-based priorities and the four transport related investment priorities.

SIP Place Based intervention packages

2.17 We are fully supportive of the place-based packages of interventions for the Solent and Sussex Coast area and agree that the proposed interventions will deliver the priorities of the SIP. We welcome the benefits that this package will provide for East Sussex in terms of strengthening east-west connectivity, the resilience of the strategic and local highway network, supporting wider strategies to level up our coastal communities and unlock opportunities for active travel to support greater social inclusion, health, and wellbeing.

2.18 For East Sussex, we welcome the inclusion of a comprehensive solution for the A27 Lewes – Polegate alongside multi modal measures for the A259 South Coast Corridor. We also support the inclusion of Sussex Coast Mass transit from Brighton through to Newhaven alongside active travel measures. This will align with the County Councils investment plans for Bus Service Improvement Plan, which recently secured over £41m of government funding and the East Sussex Local Cycling & Walking Infrastructure Plan.

2.19 Likewise we fully support the place-based packages of interventions for the London - Sussex Coast area and agree these will deliver the priorities in the SIP. We strongly support the benefits that this will bring in providing multi modal improvements across our networks especially for rail, supporting both greater connectivity, particularly for inter urban journeys and crucially providing greater resilience. For East Sussex we welcome the measures to provide an appropriate alternative option to the Brighton mainline.

2.20 We welcome the inclusion of the Lewes-Uckfield reinstatement and the potential strategic transport hub, linking rail, bus and road, near Eastbourne in this package. Highway improvements on the A22 corridor, which forms part of the Major Road Network, and mass transit improvements combined with measures for active travel on the key corridors of movement in the Eastbourne/South Wealden area will support housing and employment growth coming forward within these areas alongside improving access and safety for more rural settlements.

2.21 We also support the place-based packages of interventions for the Kent, Medway and East Sussex area, which will especially support the SIP priority of levelling up and addressing the multiple deprivation issues of our coastal communities. Therefore, we strongly agree with the inclusion of High Speed 1 'Marshlink' Hastings, Bexhill & Eastbourne upgrade which will support levelling up the economy of these communities compared to our parts of the TfSE geography.

2.22 We also welcome the safety, community and economic benefits that this package will provide with the inclusion of the A21 safety improvements, the dualling of between Kippings Cross and Lamberhurst and the Flimwell and Hurst Green bypasses, which will remove strategic traffic away from local services, including a primary school, and reduce community severance.

2.23 The proposed inclusion of new highway interventions north of the Bexhill and Hastings area will open up place making opportunities, the promotion of active travel measures and reduce existing severance issues along the A259 coast road which traverses both settlements. Therefore, our response suggests that the active travel intervention packages for Bexhill, Hastings and

Eastbourne also includes reference to place making as well in a similar vein to settlements (Dover, Medway, Canterbury) in Kent.

2.24 We have also included an overarching comment, applicable to all packages, to request greater consideration of equalities and inclusion for people with protected characteristics during the development and delivery of infrastructure measures and interventions.

SIP Global Policy intervention package

2.25 We agree that all the global interventions possess a level of importance as they cut across the eight investment priorities. The proposed response highlights that these will be critical in enabling change, adding greater value to the delivery of the investment priorities, and potentially supporting a faster pace of delivery in achieving the strategy's vision and the SIP's potential outcomes. We also recognise that the introduction of these global policy interventions may be required at different times throughout the plan period. However, we do note these interventions may require innovative funding solutions.

2.26 Whilst the SIP is a strategic document, we have also highlighted that ongoing revenue funding will be required to incentivise and enable travel behaviour change. We have suggested that travel behaviour change is given greater prominence throughout the SIP in order to fully realise and compliment the benefits of the infrastructure, service improvements and regulatory interventions.

Costs and benefits of proposed packages

2.27 The SIP sets out the costs and benefits of the proposed packages. We agree that this has been captured adequately considering the current stage of design of the packages of interventions. However, the proposed response asks whether the impact of the Covid 19 pandemic has been factored into the assessments, that this is referenced in the SIP and suggesting that this is factored into future assessments. We also suggest that a caveat should be included within the SIP that the estimated costs are indicative and treated with caution, given the current economic conditions and the impact that this is having on the costs of scheme development and delivery.

Integrated Sustainability Appraisal

2.28 An Integrated Sustainability Appraisal has been undertaken as part of the development of the SIP, including a Strategic Environmental Assessment, Health Impact Assessment and Habitats Regulation Assessment. In the proposed response, we agree that the level of assessment undertaken is appropriate at this stage. We also welcome that this has been initiated from the outset and recognise the need for Local Transport Authorities, who are promoting schemes identified in the draft SIP, to undertake further and appropriate assessments on environment impact and equalities as they come forward. The response recognises the importance of this for East Sussex with its landscape and environmental designations, of both national and international significance.

3 Conclusion and Reasons for Recommendations

3.1 The transport and global policy interventions identified in the TfSE Strategic Investment Plan will deliver significant change in the county and support our key priorities specifically the levelling up of our communities who are most at need and importantly accelerate the delivery of the decarbonisation of transport. This will support greater strategic connectivity and resilience of our networks across the county and unlock opportunities for localised transport measures for public transport and active travel to support greater social inclusion, health, and wellbeing. As outlined in paragraph 2.13, the TfSE Strategy and SIP will also support policy development and the identification of strategic transport interventions as part of the current review of our Local Transport Plan, which will be undertaken during the next eighteen months.

3.2 Overall, the County Council is supportive of TfSE's SIP as outlined in our draft response in Appendix 2 and summarised in paragraphs 2.11 – 2.28 Cabinet is recommended to consider and

approve the County Council's draft proposed response which broadly supports the content of TfSE's SIP.

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LOCAL MEMBERS

All

BACKGROUND DOCUMENTS

None