COUNTY COUNCIL - 11 OCTOBER 2022

QUESTIONS FROM MEMBERS OF THE PUBLIC

1. Question from Becca Horn, Hastings, East Sussex email 28/07/22 and 24/8/22

Is the Council concerned that it has, via its pension fund, investments in Southern Water (via UBS)? As the council is no doubt aware Southern Water is responsible for over 125 sewage spills onto Hastings & St Leonard's beaches in the last year, and continues with these breaches this year despite £90m in fines from the Environment Agency. What, if anything, does the Council plan to do about these investments?

Response by the Chair of the Pension Committee

The Pension Committee does not select individual companies within the Pension Fund's assets but makes strategic decisions for exposure to asset classes in line with the regulations. In relation to this question, an investment was made into an illiquid close ended infrastructure investment in 2008, to get access to diversification through real assets which have inflation linkage and regular income streams. The Pension Committee, at the Chair's prompting, has expressed concern over sewage discharges resulting in fines to Southern Water and has engaged with the investment manager specifically on this issue to understand the governance structures and activity of the Board of Directors related to this holding and to explain to the Committee how such a failure of stewardship and resulting loss of shareholder value had come to pass. The Pension Committee has limited options to exit its position without incurring significant costs but continues to monitor and assess its investment, however this investment portfolio is in its liquidation phase and it is expected the exposure to this company to be sold down in the near future.

2. Question from Rod Calder, Forest Row, East Sussex

The current East Sussex Highways work programme for 2022-2023 shows that the Carriage Way Resurfacing to the A22 Lewes Road, Forest Row is complete. This is not the case. 50% of the cracked and crazed carriageway has not been touched. The rest of the carriageway has been hand laid with the wrong material. Full lane patching on the A22 should be machine laid HRA WC and PCC as was carried out in early July on the A22 south of the village. The planned and, therefore, budgeted Carriage Way Resurfacing should be laid to the same specification and standard as the Carriage Way Resurfacing completed last week on the A275 going through Chailey. Would you please let the residents of Forest Row and the A22 road users know why this section of the A22 between Wall Hill Road and Tesco's has not received the same standard of resurfacing as the A275 going through Chailey?

Response by the Lead Member for Transport and Environment

When our Highway Engineers consider maintenance of a particular road there are always a number of different materials and techniques available and they will select the most appropriate and cost effective solution for the road in question. With regard

to the A22 it may be helpful to explain the history attached to this particular stretch of road and the design approach that has been adopted.

The A22 through Forest Row has over recent years been the subject of a series of site investigations including coring, trial holes and ground penetrating radar surveys to understand the nature of the sub-structure and construction of the road as the type of failures experienced suggested a foundation made up of soft and artificially hard spots and some voids within the subgrade (foundation layer). These investigations showed that the road has been made up over time with various materials creating a variable foundation with many areas having low CBR (strength) values that show movement and settlement that has reflected through to the road surface.

In considering possible surfacing solutions our Highway Engineers will have used information from the site investigation alongside their technical experience to determine the most appropriate solution for the A22. Hot Rolled Asphalt (HRA) is a relatively stiff material which requires a firm foundation for it to be laid upon. Where the subgrade is prone to movement or is soft, which it the case for much of the A22 through Forest Row, HRA surfacing will be susceptible to cracking and failure over a relatively short time span. Whilst we could dig out the soft material and replace it with a stone fill to create a modern foundation, investigations show this would need to be to a considerable depth which would be cost prohibitive. Excavating and removing the subgrade materials and laying new stone fill (effectively building a new road) would be a significant cost and very disruptive particularly given that our investigations also show the presence of relatively shallow depth utility company service under the road surface.

Given these challenges and in considering a range of solutions and whole life costs over at least 20 years, the use of HRA and the associated reconstruction of the road foundations would not offer good value. We carried out micro screeding works (mastic asphalt surfacing) approximately five years ago on other parts of this road and it has proven to be successful and has lasted well. Micro screeds are more flexible and bond to poor surfaces very well and they also seal any cracks and fissures providing a water tight surface protecting the foundations and they have good skid resistance. Micro screeding is also a relatively cost effective solution when considered over a 20 year life span as it can be re-laid several times and still provide a lower whole life cost compared to HRA. As an example looking at the recent works, the cost of resurfacing with HRA, excluding the cost of new foundations, was estimated to be £158,000 and without the new foundation it was estimated that the new HRA surface would last 7-10 years before failure was likely to occur due to subgrade movement. While the cost of the micro screed works was £67,570 and can be repeated every 3-5 years at less total cost than HRA.

In devising maintenance interventions our Engineers also consider the extent of repairs required, and in the case of these particular works we focussed on only those sections deemed necessary. Those sections of road still serviceable and with sufficient life remaining were not a priority at that time. The micro screeding solution adopted also accords with best asset management principles, providing the least whole-life cost solution, providing best value for Council Tax payers in East Sussex.

3. The same or similar questions were asked by:

Mary-Jane Wilkins, Lewes, East Sussex Sonya Baski, Lewes, East Sussex Jan Tramunto, St Leonards on Sea, East Sussex Lisa Katz. St Leonards on Sea. East Sussex Susan Jolly, Lewes, East Sussex lain Sheard, Battle, East Sussex Jane Clare, Crowborough, East Sussex Phillipa Sen, Hove Simon Hester, Hastings, East Sussex Arran Allison, St Leonards on Sea, East Sussex Edward Richardson, Ringmer, East Sussex Carolyn Beckingham, Lewes, East Sussex Sarah Macbeth, St Leonards on Sea, East Sussex **Sue McCormick, Forest Row, East Sussex** Nicola Harries, Brighton Jane Keegan, Hastings, East Sussex Mary Rice, St Leonards on Sea, East Sussex Serena Penman, Lewes, East Sussex Evie Sier, Eastbourne, East Sussex Veronica Blakey, Heathfield, East Sussex Sarah Casey, Lewes, East Sussex Anna Keiller, St Leonards on Sea, East Sussex Geoff Aucock, Heathfield, East Sussex Jen Rouse, Hastings East Sussex David Burnand, Brighton Annabel Colvill, Forest Row, East Sussex Jane Wilde, Brighton Pam Knapp, Eastbourne, East Sussex Riley Blunt, Brighton

The 2019 Conservative manifesto pledged not to lift England's moratorium on fracking unless it was scientifically proven to be safe amid concerns over earthquakes. No such proof has emerged. The Government's recent decision to lift the moratorium on fracking is therefore a clear breach of its 2019 manifesto commitment. Moreover, it also flies in the face of Paris Climate Agreement (whose goals imply no new fossil fuels) and will do little or nothing to address the UK's energy crisis. What steps is East Sussex County Council taking to oppose this dangerous move?

Response by the Lead Member for Transport and Environment

On the matter of fracking, the County Council has a statutory role for considering and determining any planning applications that propose fracking for the extraction of shale oil or gas in the parts of the county that lie outside of the South Downs National Park. Within the National Park, this role is performed by the National Park Authority. The current situation in East Sussex is that there are no active sites and no current planning permissions or applications for oil and gas exploration. The

County Council has also not been approached by any company or organisation with a prospective proposal for oil and gas exploration in the county.

Nevertheless, should any such proposal emerge in the part county outside of the National Park, it is important to note that the County Council has a legal obligation to consider the planning application on its own merits taking into account national and local planning policy, as well as material planning considerations relevant to that proposal. Because of this, the Council cannot fetter any future decisions it may need to take on such an application and to do so would risk successful legal challenge of any decision that we take. Therefore, whilst I acknowledge that there are significant public concerns over fracking, for the County Council to openly oppose such operations would run the risk of a successful legal challenge in the event of an application for such a proposal being determined.

Should any planning applications that involve fracking be submitted to the County Council, those who wish to comment on the proposal will have an opportunity to do so and those comments will be taken into consideration in any eventual decision taken. However, I would wish to reiterate that at this point in time we have no permissions, applications, or even pre-application enquiries being made for such proposals in the county.

4. The Same or similar questions were asked by:

Abi Saunders, Lewes, East Sussex **Erica Smith, Hastings, East Sussex** Anne Massey, Hove Benjamin Clench, Hove Claire Duc, Lewes, East Sussex **Zoe Garrity, Seaford East Sussex** Julia Dance, Bexhill, East Sussex Andrea Needham, Hastings, East Sussex Mark Legg, Bexhill, East Sussex Alison Hooper, Hastings, East Sussex **Grace Lally, St Leonards on Sea, East Sussex** Fiona MacGregor, St Leonards on Sea, East Sussex Claire Isitt, Rodmell, East Sussex Jason Evans, Brighton **Judith Felton, Eastbourne, East Sussex** Lorna Russell, Brighton Janet Stuart, Ditchling, East Sussex Jane Carpenter, Lewes, East Sussex

The world's highest-ranking diplomat, UN Secretary-General Antonio Guterres has called for all developed economies to tax the windfall profits of fossil fuel companies. Those funds should be re-directed in two ways: to countries suffering loss and damage caused by the climate crisis; and to people struggling with rising food and energy prices.' What actions will East Sussex County Council be taking to support this call?

Response by the Lead Member for Resources and Climate Change

Before agreeing a particular course of action the County Council would want to understand the implications of supporting a particular approach. Given these companies are heavily regulated and government sets policy on these matters the County Council is not placed to be able to take action on this issue. It is a matter for regulators and government.

5. The Same or similar questions were asked by:

Suzy Miller, Forest Row, East Sussex Les Gunbie, Brighton Stephen Watson, Lewes, East Sussex **Arnold Simanowitz, Lewes, East Sussex** Polly Gifford, Hastings, East Sussex Chris Sanders, Bexhill, East Sussex Tessa George, Lewes, East Sussex Clare Finn, Hove Anthony Bradnum, St Leonards on Sea, East Sussex Richard Wistreich, Hastings, East Sussex Alison Noves, Hastings, East Sussex A Tear, Brighton Rich Allum, Newick, East Sussex Manuela McLellan, Hastings, East Sussex Martina O'Sullivan, Brighton Charmian Kenner, St Leonards on Sea, East Sussex Ayesha Mayhew, Brighton Steve Lawless, Brighton Pal Luthra, Westfield, East Sussex Ian Lawrence, Bexhill, East Sussex Melissa McClements, Brighton Penny Steel, Brighton Ben Seddon, Hastings, East Sussex

According to the world's highest-ranking diplomat, <u>UN Secretary-General Antonio Guterres</u>: 'fossil fuel producers and financiers have humanity by the throat', having spent decades using their wealth to promote 'a false narrative to minimise their responsibility for climate change and undermine ambitious climate policies.' Does the East Sussex Pension Committee agree with the UN Secretary-General that it's now time 'to hold fossil fuel companies and their enablers to account'?

Response by the Chair of the Pension Committee

It is not the role of the Pension Committee to agree or disagree with the political views expressed by the UN Secretary General. However, the Fund has consistently advocated for engagement with investee companies to hold them to account and influence change on a number of issues associated with Governance, Environmental or Social risks that could lead to financial loss to the Fund. The Fund publishes a quarterly report of engagement both with companies and policy makers including

voting that has taken place each quarter which is a method of escalation to hold companies to account. The Fund is also due to submit its Stewardship Code statement to the Financial Reporting Council in the next few weeks for assessment.

6. Question from Adrienne Hill, Bexhill, East Sussex

I write to ask what East Sussex Council is doing, or planning to do, about Liz Truss's intentions to lift the moratorium on fracking.

It is not a solution to the energy problem https://www.carbonbrief.org/factcheck-why-fracking-is-not-the-answer-to-the-uks-energy-crisis/, but will, clearly, put yet more money into the pockets of oil & gas interests who support her, and bring down on us all of the ills generated by this disastrous practice.

Fracking is proven to devastate water and habitats, a fact abundantly evidenced by the US and Australia experiences.

Please advise what the Council is doing to redress this threat, and avert its destructive consequences for our environment.

Response by the Lead Member for Transport and Environment

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7. Question from Gabriel Carlyle, St Leonards on Sea, East Sussex

In light of recent events - in which pension funds faced "mass insolvencies" as a direct result of Liz Truss and Kwasi Kwarteng's reckless actions – when will the East Sussex Pension Fund be adding the current UK government to its risk register?

Response by the Chair of the Pension Committee

The Fund has a robust approach to risk management which is considered by the Pension Board and Committee at every meeting. Market fluctuations are already recognised within the Risk Register. The Fund has come through the recent volatility in markets, retaining its value at £4.6 billion Assets Under Management. This is a function of the approach taken, which elevates stable and consistent strategy, fiduciary responsibility, good governance, and expert advice above political opinion and campaigning. It is an approach which saw it awarded LAPF Investments LGPS Fund of the year 2021. The Fund has published a statement on its website to provide reassurance to its members that recent media coverage surrounding Pension Fund impacts have not affected our Fund members' pensions.

8. Question from Susan Burton, Battle, East Sussex

At midnight, Friday 28th January new rules to the Highway Code became legal. These new changes or clarifications are designed to make people more aware of pedestrians, cyclists and horse riders. There is now a Hierarchy of Road Users and changes in junction priority. I would suggest that these changes have been introduced to give non vehicular users greater safety and promote active travel through more walking and cycling. This would also have the knock on effect of reduced pollution and counteract climate change. If these changes were reinforced by highway design their effectiveness would be increased significantly.

Is East Sussex County Council reflecting these Highway Code changes in recent highway infrastructure design? Please give examples. How will they be in the future?

Response by the Lead Member for Transport and Environment

Whilst a significant number of the rules in the Highway Code are legislative requirements, the various changes in the Highway Code referred to by Mrs Burton in her question that came into effect at the end of January 2022 are advisory rules with the emphasis that they 'should' rather than 'must' be adhered to. However, importantly they provided greater reinforcement of the message about improving safety of the most vulnerable road users.

Amongst the updates are guidance requiring improvement in care and attention from motorists and cyclists towards pedestrians giving a hierarchy of road users. We of course recognise the revisions to the hierarchy and are supportive of these.

From a policy perspective the hierarchy of road users will be reflected in the review of our Local Transport Plan, which is currently being progressed, and an early

consultation with key stakeholders and the public on issues and opportunities will be undertaken from the end of October through to December 2022. With these changes likely to be embedded in our updated transport strategy and the framework for prioritising schemes for inclusion in our capital programme of local transport improvements, it will enable a much stronger emphasis on vulnerable road users in our highway infrastructure design.

Alongside the updated hierarchy of road users within the Highway Code, we will and continue to consider existing guidance such as the Government's Local Transport Note 1/20 on cycle infrastructure design, Inclusive Mobility and Manual for Streets which all focus on active travel modes, as well as Design Manual for Roads & Bridges, in the design of the schemes in our 2022/23 capital programme for local transport improvements which was approved at my decision making meeting in March 2022.

As an example, we are developing proposals for permanent school street schemes outside three primary schools in the county which will give priority in these spaces towards vulnerable road users in accordance with the highway code changes. The learning from these proposals and other schemes in the programme will continually help to inform our approach towards supporting the changes to the road hierarchy set out in the updated Highway Code.