

MINUTES

EAST SUSSEX COUNTY COUNCIL

MINUTES of a MEETING of the EAST SUSSEX COUNTY COUNCIL held in the Council Chamber, County Hall, Lewes on 20 MARCH 2025 at 10.00 am

Present

Councillors Roy Galley (Chairman), Abul Azad (Vice Chairman), Sam Adeniji, Matthew Beaver, Colin Belsey, Nick Bennett, Charles Clark, Chris Collier, Anne Cross, Godfrey Daniel, Johnny Denis, Penny di Cara, Chris Dowling, Claire Dowling, Kathryn Field, Gerard Fox, Nuala Geary, Keith Glazier, Alan Hay, Julia Hilton, Ian Hollidge, Stephen Holt, Johanna Howell, Eleanor Kirby-Green, Carolyn Lambert, Tom Liddiard, Philip Lunn, James MacCleary, Wendy Maples, Sorrell Marlow-Eastwood, Carl Maynard, Matthew Milligan, Steve Murphy, Sarah Osborne, Peter Pragnell, Paul Redstone, Christine Robinson, Pat Rodohan, Phil Scott, Daniel Shing, Stephen Shing, Alan Shuttleworth, Bob Standley, Colin Swansborough, David Tutt, John Ungar, Trevor Webb and Brett Wright

54. Minutes of the meeting held on 11 February 2025

54.1 RESOLVED – to confirm as a correct record the minutes of the County Council meeting held on 11 February 2025.

55. Apologies for absence

55.1 Apologies for absence were received on behalf of Councillors Bob Bowdler and Georgia Taylor.

56. Chairman's business

CHAIRMAN'S ACTIVITIES

56.1 The Chairman reported that he had attended a number of engagements since the last County Council meeting including: Ashdown Forest Board Meeting and Covid 19 Day of Reflection with the Mayor of Eastbourne; and hosted a tea for Ashdown Forest staff and Volunteers at Babylon ECO Centre at Duddleswell.

MINUTES

56.2 The Chairman thanked the Vice Chairman for his ongoing support, including his attendance at the UN Association: Bexhill and Hastings Branch AGM and Public Seminar.

PETITIONS

56.3 The following petitions were presented before the meeting by Councillors:

Name of Presenting Councillor	Subject of Petition
Councillor Hilton	Divest from Israel and stop support for genocide
Councillor Milligan	Can we have our children's bus passes back, please

PRAYERS

56.4 The Chairman thanked Councillor Belsey for leading the prayers before the meeting.

57. Questions from members of the public

57.1 A copy of the question from a member of the public and the answer from Councillor Glazier, Leader and Lead Member for Strategic Management and Economic development is attached to these minutes. A supplementary question was asked and responded to.

58. Declarations of Interest

58.1 The Chairman stated that all Members have been granted with a dispensation, in relation to their membership of the Council and any membership of a district or borough council under the Localism Act 2011 and the Council's Code of Conduct to enable them to participate and vote on the items on the agenda which relate to devolution and local government reorganisation.

58.2 Councillor Maples declared an interest in item 7 as a Member of Lewes District Council and Lewes Town Council.

58.3 Councillor Holt declared an interest in item 7 as the Leader of Eastbourne Borough Council.

58.4 Councillor Ungar declared a personal interest in item 7 as having a member of family who works as a local government officer in the county of East Sussex. He did not consider this to be prejudicial.

59. Reports

59.1 The Chairman of the County Council, having called over the reports set out in the agenda, reserved the following for discussion:

Cabinet report – paragraph 1 (Council Monitoring Report - Q3 2024/25).

Leader and Lead Member for Strategic Management and Economic Development report – paragraph 1 (Proposed response to consultation on the proposed Mayoral Combined County Authority across East Sussex, West Sussex and Brighton and Hove) and paragraph 2

MINUTES

(Proposed response to Government invitation for proposals for a single tier of local government in East Sussex).

NON-RESERVED PARAGRAPHS

59.2 On the motion of the Chairman of the County Council, the Council adopted those paragraphs in the report that had not been reserved for discussion as follows:

Governance Committee report – paragraph 1 (Amendment to the Constitution – Place Scrutiny Terms of Reference) and paragraph 2 (Amendment to the Constitution - Procurement and Contract Standing Orders).

60. Report of the Cabinet

Paragraph 1 - Council Monitoring Report - Q3 2024/25

60.1 Councillor Bennett moved the reserved paragraph of the Cabinet's report.

60.2 The paragraph was noted after the debate.

61. Report of the Leader and Lead Member for Strategic Management and Economic Development

Paragraph 1 - Proposed response to consultation on the proposed Mayoral Combined County Authority across East Sussex, West Sussex and Brighton and Hove

61.1 Councillor Glazier introduced and moved the reserved paragraph in the Leader and Lead Member's report.

61.2 Council agreed to note the draft response to the Government consultation after the debate.

Paragraph 2 - Proposed response to Government invitation for proposals for a single tier of local government in East Sussex

61.3 Councillor Glazier introduced and moved the reserved paragraph in the Leader and Lead Member's report.

61.4 Council agreed to note the Interim Plan after the debate.

62. Questions from County Councillors

62.1 The following members asked questions of the Lead Cabinet Members indicated and they responded:

Questioner	Respondent	Subject
Councillor Wright	Councillor Claire Dowling	Road closures at Grand Parade, Eastbourne.
Councillor Tutt	Councillor Claire Dowling	Potential use of Bus Service Improvement Plan (BSIP) funding for the Exceat Bridge replacement project.

MINUTES

Councillor Wright	Councillor Claire Dowling	The effectiveness of the Sussex Safer Road Partnership.
Councillor Daniel	Councillor Claire Dowling	Highway expenditure for the next financial year having regard to the increased funding from central government.
Councillor Stephen Shing	Councillor Claire Dowling	Highway licencing fees for Parish and Town Councils.
Councillor Collier	Councillor Claire Dowling	Changes to the development at the Meridian site at Newhaven regarding the library.

62.2 Four written questions were received from Councillor Wright, two for the Lead Member for Transport and Environment. One for the Lead Member for Resources and Climate Change and one for the Leader and Lead Member for Strategic Management and Economic Development. The Lead Members responded to supplementary questions.

THE CHAIRMAN DECLARED THE MEETING CLOSED AT 12.31 pm

The reports referred to are included in the minute book

MINUTES

COUNTY COUNCIL – 20 MARCH 2025

QUESTIONS FROM MEMBERS OF THE PUBLIC

Question 1 – Bernard Brown, Battle, East Sussex.

CONTEXT STATEMENT

PUBLIC QUESTION TO THE LEADER OF THE COUNCIL

All data used and quoted in this context statement are fully verifiable and are on the public record - not necessarily just those of ESCC. Claims of commercial sensitivity do not apply.

Since 2021 questions have been raised, in the public interest, about the management of a series of Service Level Agreements made by ESCC related to projects with East Sussex Energy Infrastructure and Development Ltd operating under the trading name of Sea Change Sussex. These questions could have been used to constructively improve the management of these projects. Regrettably they provoked responses of obfuscation and denial. Today gives the opportunity to put these matters right.

It is a matter of public record that a Director of the Council publicly stated “the Queensway Gateway Road is not our project.” ESCC was admonished by SELEP, the body responsible for distributing Central Government funds used in this project and was instructed not to repeat such claims. It said, without qualification, ESCC was responsible for the delivery of the projects covered by these Service Level Agreements. The QGR was scheduled to open in November 2016. There has been massive disruption and the people of Battle are still suffering intolerable congestion as a result. And the project remains incomplete at today’s date, 10 March 2025 even with new delivery partners and the Service Level Agreement remains unfulfilled.

Since 2011 more than £57.6 million of public money has been paid to Sea Change Sussex.

These projects were supposed to produce 6000 NEW jobs by 2025. Even allowing for Covid, 3032 of these NEW jobs should have been in place by 2022. The actual number in March 2025 of audited NEW jobs created is less than 350. The original planned cost per job created was circa £19000. The actual cost is close to £250,000 per job.

On average the projects were delivered 20 months late and budgets were exceeded by more than £9.5million.

ESCC officers are on record as saying these projects were justified as “the market had failed”.

As an example, in 2013, the Queensway Innovation Park project was stated to be essential to “open up the site to meet the high-demand for self-build plots for light industrial units’ and would create 865 new jobs. In the 12 years since the infrastructure project was completed, using £1.9m of public money, not one unit has been built, not one new job has been created.

Perhaps “the market” knew better than a Council Officer what manufacturers and industry really needed.

Because ESEID Ltd/ Sea Change Sussex is a Private Limited Company questions about it’s operations, finances and governance cannot be asked at Council meetings. But the conduct of the Council’s relationship to the Company can be subject to public questioning. Members of

MINUTES

Place Scrutiny attempted to examine these matters but a successful coalition of Administration and Officers kicked these concern into the most distant of long grass.

Along with Hastings Borough Council and Rother District Council, ESCC are “Members” of the Company with the right to appoint a Director to the Board.

Cllr Bennett was appointed as the ESCC Director from 30 June 2021

ESCC had been registered as a person with **significant control** way back in April 2016

Cllr Bennett resigned as a Director on 16 October 2024

East Sussex County Council registered on 4 February 2025 it had relinquished it's position to be a person of **significant control** on from 21 January 2025.

Pacific House at Sovereign Harbour was held ‘in stock’ on the Balance Sheet by Sea Change Sussex at a value of £7,232,000. It cost more than £7.9 m (including site access infrastructure) to build in 2015 (£10.7m at 2025 prices). It is a fact Sea Change Sussex failed to maintain repayment of the loans to ESCC (for onward repayment to SELEP) when due in 2022. Despite two years of extra time no payments were made. The loans were secured by way of a charge on the property. On 9 November the outstanding loans of £6,625,000 were discharged by transferring ownership of Pacific House to ESCC. It is noted this was on 9 November, just three weeks after Cllr Bennett’s resignation as a Director from the Company.

ESCC effectively paid £6,625,000 for Pacific House. Attempts to sell the building for £5m for two years had failed, indicating it’s true value being less than £5m. This transaction means ESCC is immediately incurring a loss of £1,625,000 on the transaction. No amount of creative accounting, no amount of mellifluous claims of investing for the future can hide this fact. The ESCC Taxpayer has paid £6,625,000 for a property worth less than £5,000,000. To add another dimension ESCC is still liable to repay £3.575m to the other Upper Tier Authorities involved in the granting of this loan to ESCC by SELEP. Another Sea Change Sussex “success story” which ESCC have failed to manage. A project justified because “the market failed”. The true and full costs are unknown and the taxpayer is prevented from knowing the full picture as items regarding this project have been made “exempt”.

At the Governance meeting of 10 December a decision was made to appoint the Director of Communities, Economy and Transport as the ESCC nominated Director of East Sussex Energy Infrastructure and Development Ltd. This has not been implemented (at 10 March 2025) and ESCC has no Director on the board of the Company.

It has been claimed this company was a primary partner of ESCC in development projects. Accordingly it is in the public interest to know why Cllr Bennett’s resignation has not been publicly announced or explained; it is in the public interest to know why the decision to appoint the Director of Communities, Economy and Transport as the ESCC Director on the Company has not been implemented; it is in the public interest to know why it was decided for East Sussex County Council to cease to be a person of significant control of the company on 21 January 2025 and why this has not been reported publicly to Members; it is in the public interest to know the justification for paying £6,625,000 for a building proven to have a market value of less than £5,000,000 as this has not been presented to members nor to those eventually picking up the bill, the council taxpayer.

MINUTES

With this catalogue of failures It is unclear why the Council Taxpayer should have any confidence that the changes in local government following the planned reorganisation will produce any better results for the taxpayer in developing so called infrastructure projects.

Question to the Leader of the Council - 20 March 2025

East Sussex County Council has incurred a significant financial liability due to Sea Change Sussex failing to repay loans granted to fund the construction of the building known as Pacific House. The resignation of an ESCC Councillor from the Board of this company, nor the reason for the resignation, has not been publicly announced. At the December Governance meeting the decision was made for the

Director C,E & T would take up this role. This decision has not been implemented.

The decision of ESCC to cease to be a person of Significant Control from 21 January has not been recorded in any traceable public report or document of the Council. Will the Leader take this opportunity to give a clear update on these matters to the people picking up the tab for these failures - the Council Taxpayers of East Sussex.

Answer by the Leader of the Council

Thank you for the question and I will address the County Council's response in two parts the first covering the outstanding loan repayments on Pacific House and the second referring to the County Council's relationship with the Sea Change Sussex board and company.

1) On Pacific House:

We do not recognise the figure of £6,625,000 quoted as being paid by the County Council for Pacific House.

Sea Change Sussex received £4.6m, of the total £6m budget, for the project from the South East Local Enterprise Partnership (SELEP) in the form of a Growing Places Fund (GPF) loan in 2014. Eastbourne Borough Council contributed £1.25m of the remaining budget via a loan. The GPF programme was set up and funded by the Ministry for Housing, Communities and Local Government (formerly the Department for Communities and Local Government) and the Department for Transport (DfT).

Following completion of the project, £1.025m of the GPF loan was repaid by Sea Change Sussex to SELEP.

As part of the original GPF loan agreement, the County Council took ownership of the asset and responsibility for repaying the outstanding £3.575m of this loan to the other former members of SELEP (which has since been dissolved). Repayments totalling £1,424,000 have been made over the 2024/25 financial year, leaving an outstanding balance of £2.151m to be repaid over 2025/26.

The property is an on going concern that the County Council will manage going forwards as per the decisions made at the Lead Member for Resources and Climate Change meeting on behalf of Councillor Bennett by Councillor Standley on the 14 January 2025.

2) On Sea Change Sussex Board and company

Firstly, with regards to the resignation of an East Sussex County Councillor from the Board a letter was issued to SCS in October 2024 with reasons but not disclosed to the public as

MINUTES

exemptions apply under the Freedom of Information Act with reference to Section 40 (2) Third Party Personal data and Section 43(2) information whose disclosure would, or would be likely to, prejudice the commercial interests of any legal person (an individual, a company, the public authority itself or any other legal entity).

Secondly, with regards to the appointment of future directors of the Company, based on the number of current directors of ESEID, the Company's Articles of Association now limits the number of directors representing the local authority members to just one between the three authorities (Rother District Council, Hastings Borough Council and ESCC). As Cllr Bayliss from Rother District Council was appointed as a director of the Company on 17 December 2024 it was not open to the other authorities to appoint a new director. Currently the local authority members are in conversation about the appointment of a long term director to the company.

Thirdly, East Sussex Energy Infrastructure and Development Limited (known as Sea Change Sussex) (**ESEID** or the **Company**) is responsible for the filing, maintenance and accuracy of its own company records. This includes ESEID's Register of Persons of Significant Control (PSC) which appears in the records at Companies House (**PSC Register**). It would have been the decision of the Company and its advisers (not ESCC) as to whether ESCC's name was originally included in the PSC Register. ESCC was not involved in the decision to change the Company's PSC Register.

WRITTEN QUESTIONS PURSUANT TO STANDING ORDER 44

1) Question from Councillor Wright to the Lead Member for Transport and Environment

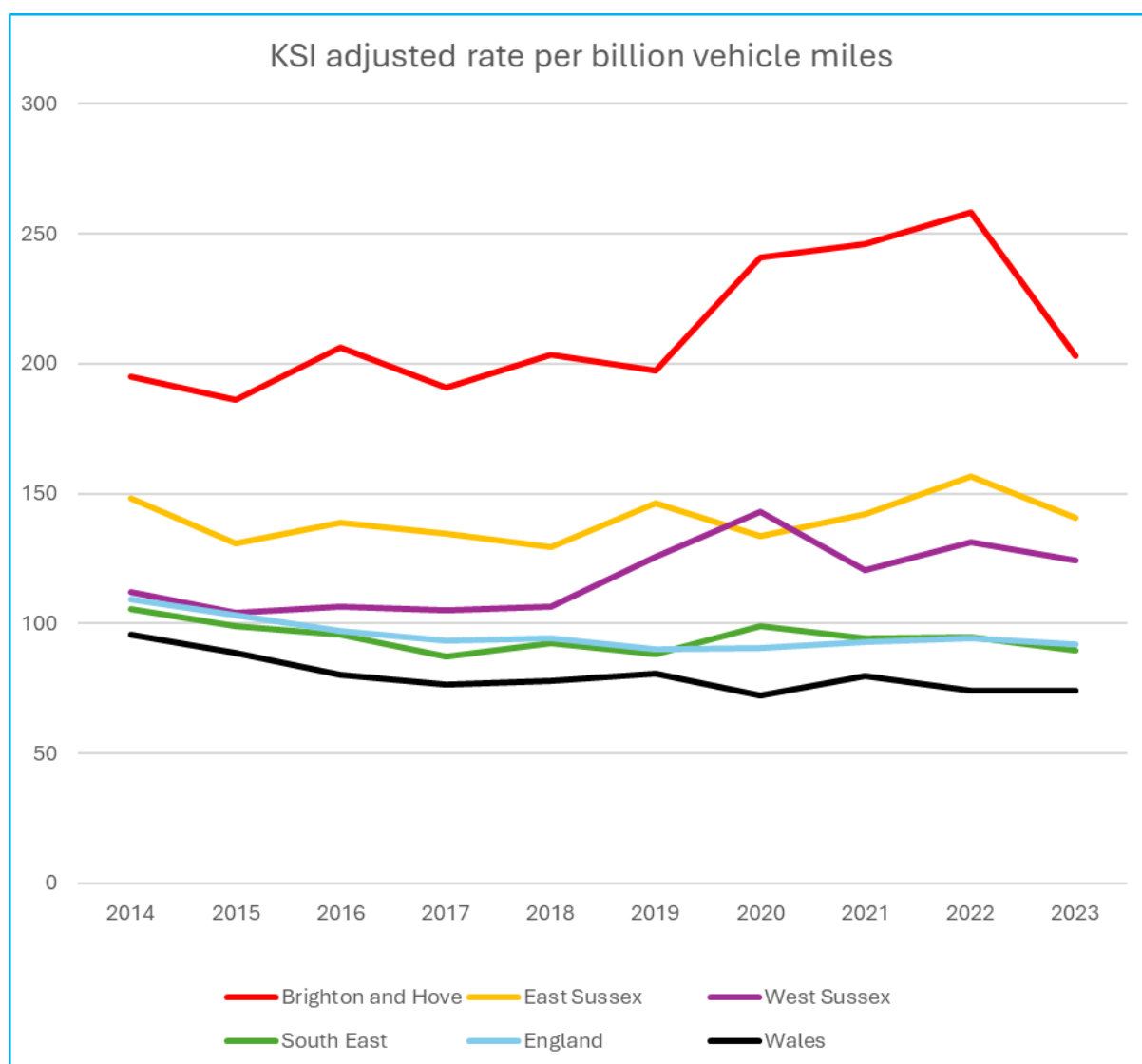
Can you please provide the annual data for the Killed & Seriously Injured (KSIs) casualty rate per billion miles travelled in East Sussex over the last decade. Then compare it to the baseline average for England and Wales (and Southeast) over time, to see if there have been any changes compared to other councils. "

"This would be similar to the data in:

<https://performance.westsussex.gov.uk/stories/s/41-Killed-and-seriously-injured-casualties-per-bil/sjp5-2pt3/>"

Answer by the Lead Member for Transport and Environment

Please find below the data for Sussex, South East England, England and Wales.



We are aware that the proportion of people Killed and Seriously Injured (KSI) on roads in East Sussex is higher than the average rate for England. However, in common with East Sussex the

MINUTES

majority of County Councils in England over this period had a KSI rate higher than the England average.

For the three year period 2021-2023 the average rate of KSIs for England was 93 per billion vehicle miles, compared to a rate of 236 in Brighton and Hove, 147 for East Sussex and 125 for West Sussex.

It should however be noted that whilst East Sussex has historically had a higher level of KSIs than many other areas, it is difficult to make direct comparisons with other areas due to both methods of data collection and recording across police forces, and the differences in road networks and infrastructure. East Sussex has no motorways, and limited dual carriageways, and we know that statistically these are the safest roads. In addition, in 2019 a new national data reporting system CRASH was introduced which means that data is not directly comparable with previous years.

2) Question from Councillor Wright to the Lead Member for Transport and Environment

Statistics are now available for the first full year after the default speed limit in Wales reduced to 20mph (sign only). In that year, around 100 fewer people were killed or seriously injured on roads with 20mph and 30mph road speed limits than in the 12 months a year before. The number of casualties on 20mph and 30mph roads was 28% lower than in the prior year (Ref LTT 908 3 02 25).

Do these statistics make DfT Circular 01/2013 on local speed limits and ESCC PS05/02 policy in regard to 20 mph no longer fit for purpose and if so, what does ESCC intend doing about it.

Answer by the Lead Member for Transport and Environment

East Sussex County Council (ESCC) supports 20mph speed limits where appropriate. Adopted Policy PS05/02 does not prevent the implementation of 20mph speed limits and allows for signed only 20mph zones or speed limits to be considered where they are likely to be self-enforcing. An effective and self-enforcing 20mph speed limit can be achieved with signs alone on roads where the mean (average) speed of traffic is below 24mph. This policy aligns to DfT guidance on setting local speed limits.

When considering how ESCC assesses and prioritises road safety concerns including requests for lower speed limits, it is important to consider not only the Local Speed Limit Policy PS05/02 but also the wider policy and operational context. This includes ESCC's Local Transport Plan, and the processes and criteria followed when setting the annual Capital Programme for Local Transport Improvements, and the Annual Casualty Reduction, Community Focused Road Safety and Speed Management Programmes.

The Council has a finite amount of funding to develop local transport improvements, and we need to ensure that we target our resources towards those schemes which will be of greatest benefit to our local communities.

Earlier this year the Scrutiny Speed limit Review Board considered examples of the approach taken to 20mph speed limits by Oxfordshire, Cornwall, Surrey, and Buckinghamshire councils and the Welsh Government. The Board noted that those that have prioritised the roll out of 20mph speed limits and zones have allocated significant additional funding to enable this. For example, Cornwall have invested £4million and Oxfordshire £8million. In Wales, £34m was

MINUTES

allocated to implement the default signed only 20mph policy, with a further £5m allocated last year to reverse some of the 20mph limits.

Within East Sussex, requests for lower speed limits or traffic calming schemes are funded from the Capital Programme of local transport Improvements, which has an annual budget of £3m. Schemes funded from this budget historically have been assessed against their contribution towards delivering the Local Transport Plan (LTP3).

With the adoption of LTP4 by the Council in October 2024, and the emphasis on vision led planning for people and places in the Strategy, officers are developing a revised scheme assessment and prioritisation process to reflect the objectives and priorities set out in our new Local Transport Plan.

Nationally, KSI statistics are considered over a 3 year period rather than 1 year, due to annual fluctuations. Whilst initial reports of reduced KSIs in Wales are encouraging, it is too soon to fully understand the impact of the 20mph scheme here. Three years' worth of casualty and speed data would allow a more accurate assessment, and we will keep a close eye on this to help us better understand where signed only 20mph limits can be most effective.

3) Question from Councillor Wright to the Lead Member for Resources and Climate Change

The Capital Programme budget for the year is £104.7m, net expenditure for the year is projected to be £91.3m. After applying a slippage factor to reflect likely slippage based on a risk assessment of historic levels of actual expenditure the net forecast expenditure after applying this risk factor is £84.6m. (Ref: Council Monitoring Report – Q3 2024/25). The net forecast expenditure after applying the risk factor is therefore 19% below budget.

Does this 19% reduction indicate a failure in ability to implement planned capital projects at ESCC?

Plus, bearing in mind that project costs increase substantially when the capital budget is not spent in a timely way, what actions are ESCC taking to make sure that capital budgets for the year and for years going forward are spent as scheduled? Is there a timeline to get net expenditure and net forecast expenditure back on budget in the future?

Answer by the Lead Member for Resources and Climate Change

The Council, through the Capital Board, looks to implement capital projects in line with planned timescales. In support of this, capital projects have detailed plans and timeframes in place with resources allocated against them.

However, given the complex nature of these projects there are often factors outside of the Council's control which are above and beyond what could reasonably be anticipated at the outset. Examples include inherent challenges in securing materials and the supply chain, weather constraints, and the time taken to secure planning or permissions from third parties where this is necessary.

Whilst this can result in the slippage of project work to later periods, the capital programme budget available to those projects remains the same, and in this way the Council is able to control costs. In circumstances where prices have risen in the period beyond what could have

MINUTES

been reasonably anticipated at the outset, those projects are 'value engineered' to ensure that they remain within the same budget envelope wherever possible.

4) Question from Councillor Wright to the Leader

How much money has ESCC spent on External Consultants for each of the last three years split by each of the Directorates, Adult Social Care and Health, Business Services, Chief Executive's Office, Children's Services, Communities Economy and Transport, Governance Services and in total.

Response by the Leader

The term "consultant" can be interpreted in a variety of ways, and whilst we seek a consistent approach, there is likely to be a range of interpretations across departments. For example, this can include employing short term agency staff, programme managers for specific projects and experts brought in for specific knowledge (e.g. Inner Circle Consulting's work on the future options for County Hall).

SAP has a code for consultants and across revenue and capital though there is a caveat to these numbers as they are reliant on the interpretation of "consultant". The following expenditure has been coded to "consultants":

Directorate	2021/22	2022/23	2023/24	2024/25 to 10.03.25
Adult Social Care & Health	621	971	679	2,028
Business Services / Orbis	2,763	5,129	6,334	3,491
Children's Services	2,135	1,624	2,872	6,751
Communities, Economy & Transport	4,050	5,354	5,535	3,839
Governance Services	59	45	23	33
Total	9,629	13,123	15,444	16,142