

Bexhill to Hastings Link Road – regeneration issues

Final Report

to East Sussex Transport 2000

August 2004

Urban & Regional Policy

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Urban & Regional Policy

Urban & Regional Policy is the practice of Alan Wenban-Smith as an independent consultant. Established in 1996, it specialises in linking urban and regional economic, spatial and transport policies. Recent projects (independent and in collaboration with other firms) include a study of the integration of regional transport with spatial strategies for DfT, the establishment of a regional intelligence Observatory for the West Midlands Regional Development Agency and the production of Regional Planning Guidance and Transport Strategy for the Yorkshire & Humber Regional Assembly.

Alan Wenban-Smith was previously responsible for planning and transport policy for Birmingham City Council. In this capacity he led Birmingham's first Unitary Development Plan, its first Economic Strategy and the policy direction of the Inner City Partnership. He also chaired West Midlands planning, transport and economic development advisers groups at both regional and Metropolitan levels, leading the first Metropolitan Transport 'Packages', Regional Planning Guidance and the first integrated Regional Transport Strategy. He writes and speaks on planning, housing and transport issues, has been a witness and an adviser to Commons Select Committees, Visiting Professor of Planning at Newcastle University and an External Research Adviser to the Transport Department.

Bexhill to Hastings Link Road – regeneration issues

Overview

Urban & Regional Policy was commissioned by East Sussex Transport 2000 to examine the economic regeneration case for the Bexhill to Hastings Link Road (BHLR) and to consider alternatives. Our broad conclusions are:

- 1. The Trunk Road status of most of the A259 in Hastings/Bexhill has been a major driver behind the BHLR proposal, even though the function of the A259 is primarily local. The perspective for the consideration of the BHLR has thus been dominated by transport considerations, in particular the relief of traffic on the A259 Coast Road.*
- 2. The BHLR would have no impact on the regional accessibility of Hastings/Bexhill. Its construction would shift some local traffic to new routes, but these would also be within the urban area and the overall volume of traffic would tend to increase. There is no evidence that these new routes are any less environmentally sensitive than those relieved.*
- 3. The regeneration argument for BHLR rests primarily upon the opening up of land for a proposed high quality Business Park in North Bexhill. However, this would require inward investment, for which there are many more attractive locations in the region: market demand in this area would be weak regardless of the BHLR. There is other land suitable for expansion of local businesses, and ample capacity for planned housing provision can be provided without BHLR..*
- 4. The approach to economic regeneration adopted by SEEDA and currently being carried out by the Hastings/Bexhill Task Force focuses on growing the existing manufacturing base and building on potential strengths in knowledge-based industries and tourism. In this view regenerating the local environment of Hastings/Bexhill and enhancing the quality of life it offers are critical to success.*
- 5. The BHLR and associated business park are at best irrelevant and at worst highly damaging to this vision. Any short-run gain from development would be dwarfed by longer-run increases in traffic and car-dependency (and recent inflation in BHLR scale and cost reinforce this view). The continued support for BHLR of some of the Task Force partners (and acquiescence of others) appears to be the product of a ‘bidding culture’ rather than the expression of a coherent strategy.*
- 6. With the exceptions of the BHLR and associated business park we endorse the Task Force’s general approach to the urban and economic regeneration of Hastings/Bexhill. In this context the most important transport investments are those that:*
 - underpin high quality regeneration in the urban core (eg Ore-Bexhill Metro);*
 - increase accessibility to the rest of the region (upgrading rail services to Brighton, London and Gatwick, including the Willingdon chord);*
 - improve local access within the urban area without generating additional traffic (improved public transport facilities, services, ticketing and integration);*
 - traffic calming and bus priority on the A259, shifting the balance in favour of pedestrians in sensitive sections, and realigning on the sea front to provide a pedestrian boulevard;*
 - demand management to prevent future traffic growth from undermining essential attractions and to raise money towards transport and environmental improvements.*
- 7. The capital cost of the transport component of regeneration would be reduced by these measures from nearly £140m to less than £40m, and revenue costs from £9.5m to £3.3m pa. Meeting more of the cost through local charges is in accordance with current government thinking, asserts local ownership and provides a powerful argument for central support where this is really needed.*
- 8. By firmly and finally rejecting the current major scheme bid the Government would help to focus local effort on this more appropriate and sustainable approach.*

Bexhill to Hastings Link Road – regeneration issues

1 Introduction

- 1.1 The purpose of this report is to provide:
- a) a critical examination of any regeneration effect arising from the proposed Bexhill to - Hastings Link Road (BHLR), and
 - b) suggestions for alternative (less damaging) means of delivering regeneration benefits.
- 1.2 It is based upon a review of key reports on transport and regeneration over the last four years, since the emergence of the Access to Hastings Multi-modal Study (November 2000). This comprises three broad groups of documents:
- a) Multimodal studies (MMSs) commissioned by the Department for Transport (DfT) – the Access to Hastings MMS (ATH, 2000) and the South Coast MMS (SoCoMMS, 2002);
 - b) Proposals for regeneration of Hastings and Bexhill, produced or commissioned by the local authorities, the Regional Development Agency (SEEDA) and others, dealing (amongst other things) with the relationship between regeneration and transport provision;
 - c) East Sussex County Council's Local Transport Plan (LTP) and related Annual Progress Reports, and the District Councils' statutory Local Plans.
- 1.3 The main reports consulted are listed in Appendix 1 and are referred to in this report by the sequence numbers given there. New material contained in the Major Scheme Bid for BHLR made by East Sussex CC as part of their July 2004 Annual Progress Report on the LTP is reviewed in Appendix 2.

2 Context

National context

- 2.1 Under previous Governments Motorways and Trunk Roads were planned to accommodate projected demand from road users, and justified primarily in terms of these users' time savings. Alternative ways of meeting travel needs (eg improving rail services) and the wider effects of road building (eg on housing markets, regeneration and traffic) were not taken into account.
- 2.2 MMSs were proposed in the 1998 Transport White Paper as a fresh approach, looking at the potential contributions of both road and rail to meeting travel needs. However, it is important to remember that their primary purpose was to propose means of reducing congestion on Trunk Roads (though considering the contribution of a wider range of measures than in the past). MMSs would be reported to Regional Assemblies, who would advise the Government on the implications for Regional Planning Guidance (RPG). 22 MMSs were commissioned in three waves, nine looking at major interurban corridors (like London to the SW and Wales), three at urban areas (like the W Midlands conurbation) and ten related to specific roads (like the A259 through Hastings).
- 2.3 The MMSs were conducted in the context of the national 10 Year Plan '*Transport 2010*', which proposed major increases in transport spending (a total of some £180bn over the period 2000-2010). No regional guidelines were given as to the distribution of this very large amount of money. As a result, the range of options considered and recommendations put forward by MMSs have tended to be ambitious – many have commented that the MMSs

are more in the nature of bids than strategies¹. This lack of resource discipline has been a major factor in the continuing life of schemes, well past their natural ‘sell by’ date.

- 2.4 Government responses have been increasingly constrained by a tightening resource situation, particularly as a result of the Hatfield rail crash, but also under pressure of other spending priorities. Responses to the later MMSs have been increasingly cautious about approving proposals (even in principle) and have committed expenditure on even fewer of the projects put forward. The contrast between the expectations raised by the 10 Year Plan and the decisions on MMSs has led to disappointment in many quarters.
- 2.5 In the statement ‘*Managing our roads*’, issued in July 2003 alongside responses to the final tranche of MMSs, the Secretary of State gave a clear signal that road proposals in particular would need to be considered in the context of measures to manage the growth of demand.
- 2.6 The increasing importance of managing demand growth and being realistic about money is even more strongly reflected in the most recent Transport White Paper². In addition to reinforcing the message that road pricing will be put in place as technology permits, it also signals a more disciplined approach to regional and subregional transport planning: there will be regional budget guidelines. This means that Regional Assemblies and local authorities will need to make *real* choices and trade-offs between priorities, rather than (as in the past) simply including in their bids all schemes for which they have hopes.

Local context

Access to Hastings MMS

- 2.7 The ‘*Access to Hastings Multi-Modal Study*’ (ATH, refs 2, 3 and 4) was one of the first wave of MMSs to be commissioned following the 1998 Transport White Paper. The Sussex coastal towns from Shoreham to Hastings had been identified in the Regional Planning Guidance for the SE as one of four ‘Priority Areas for Economic Regeneration’ (PAERs), and the major issue addressed by the MMS was the congestion of the A259 Trunk Road and the role of better transport linkages in addressing the particularly serious deprivation of Hastings-Bexhill. Its relatively limited scope meant that in November 2000 it was the first to report.
- 2.8 ATH identified the major transport problems as being:
 - a) peripherality exacerbated by poor access to London and other parts of the region by A259, A21 or rail alternatives;
 - b) the impact of the A259 traffic on the urban environment, particularly passing through the town centres;
 - c) constraints on access to the A259 inhibiting development of major housing and business park locations in north Bexhill.
- 2.9 ATH put forward two alternatives:
 - a) A package of local and regional rail proposals, modest improvements to the A21 and bus priority and parking restraint measures, at a capital cost of some £90m
 - b) A package comprising all these plus a new route for the A259, by-passing both Bexhill and Hastings and linking with the A21 to the north, at a capital cost of some £225m³.
- 2.10 The evaluation of these alternatives gave mixed results for the proposed new by-pass. Whilst about 2,000 jobs could be accommodated on land that would be released from access constraints (North Bexhill Business Park), the market for its development was weak and would require other measures. Moreover, dynamic modelling of land-use/transport

¹ MVA (2004) ‘*The integration of Regional Transport Strategies with spatial planning policies*’, research for DfT

² DfT, 20 July 2004, ‘*The future of transport: a network for 2030*’, Cm 6234

³ putting the price of both sections of by-pass (west and east of the A21) at around £135m for around 15 miles.

interactions suggested that the overall effect of the proposed transport investment on employment in Hastings/Bexhill would be quite limited – and much less than the new jobs on site. This could be because improved accessibility could lead to relocation of existing jobs away from Hastings/Bexhill (the so-called ‘two-way road effect’).

- 2.11 In spite of the still-generous resource context of the Transport 10-year Plan at the time (Nov 2000), the weak economic case plus their serious environmental impact led to the by-pass proposals being rejected by the Secretary of State.

Responses to the rejection of the By-passes

- 2.12 The Regional Assembly (SEERA), the Regional Development Agency (SEEDA) and the local authorities (East Sussex County Council, and Hastings and Rother District Councils) had all regarded a go-ahead as a likely, and were both surprised and disappointed by the decision. DTZ Pieda were employed by SEEDA to put forward an action plan for the regeneration of Hastings/Bexhill, including reviewing the contribution of transport.

- 2.13 Interestingly, the DTZ Pieda report (Refs 8 and 9) effectively endorses the view that the By-passes were peripheral to regeneration. Indeed, it went further, saying of all the proposed transport improvements recommended in ATH that “... *though helpful, they have limited impact on regeneration*”. The key to regeneration in their view was to grow the indigenous economic base. This had two main strands:

- a) Developing new businesses capitalising on the area’s environmental potential and minimising the disadvantages of its intrinsic peripherality within the South East ;
- b) Revitalising the existing economic base, which involved retaining existing manufacturing and developing the traditional tourism activities.

- 2.14 For these purposes, the only transport scheme that had a high priority was the Bexhill-Ore Metro, and this was because formed an integral part of bid by Hastings Borough Council for Millennium Community funds: the ‘String of Pearls’ concept (Ref 6). This would link high quality new housing, renewed townscape and small/medium-scale commercial opportunities along the existing rail spine. The benefits would spread to much of the older parts of the built-up area, both through physical enhancement of the environment and through frequent rail services reducing car-dependency.

- 2.15 DTZ Pieda saw this as precisely the kind of flagship project necessary to change the image of the area. This in turn would be necessary to catalyse interest from media and information and computer technology (ICT) industries, which they identified as the principal targets for the first strand of the strategy outlined above. In this context, the environment offered by Hastings/Bexhill becomes a key economic success factor, crucial to attracting the key people on whom such industries depend – and for whom quality of life is a major influence on locational choices. The same considerations apply to the revitalisation of the tourism business.

- 2.16 The retention of the existing manufacturing base was seen as depending upon a ready supply of small scale sites and encouragement of rebuilding, together with enterprise and skills training. In this context, the identified priority was to bring forward the small/medium scale sites that had already been identified⁴.

- 2.17 The North Bexhill Business Park proposal would depend upon the construction of the BHLR⁵, the feasibility of which should be examined. However, the relatively large-scale, high-spec development (such as proposed in the Rother Local Plan) would not be relevant to local industries and implies inward investment. The assessment in ATH was that commercial interest would be weak in view of the locational disadvantages of

⁴ Over 30 ha of medium sized sites are identified in the report – a large supply for an area this size (equivalent to some 75 years’ supply at past development rates, even if no more sites came forward through business turnover)

⁵ the first mention of this proposal in the documents examined

Hastings/Bexhill relative to other parts of the South East (even with the full by-passes and other transport improvements proposed), and the later report endorses this view. In the DTZ Pieda strategy the Business Park would also, in any case, be a low priority project.

2.18 Other key differences from ATH were:

- a) The rail priority should be improved links and services to London and Gatwick via Brighton (including the Willingdon chord, by-passing Eastbourne), rather than improvements to the Hastings-Ashford link;
- b) A low priority for improvements to the A21, which was considered unlikely to ever be a strategically significant link for economic regeneration purposes;
- c) There should be a cautious approach to parking restraint, to avoid inhibiting the tourism business.

The 'Five Point Plan'

2.19 The Secretary of State's letter to the Regional Assembly (Ref 7) rejected the by-passes and encouraged the local partners to put forward other ideas for the regeneration of Hastings/Bexhill. The Hastings and Bexhill Task Force was set up by SEEDA to develop a regeneration strategy – the 'Five Point Plan' (5PP – Ref 10), endorsed by SEEDA, SEERA, E Sussex, Rother and Hastings and given the go-ahead by the Government in March 2002. Sea Space is the executive delivery vehicle set up by the Task Force to implement the 5PP (Refs 12, 13).

2.20 Much of the content of the 5PP is based upon the combination of the DTZ Pieda strategy with the Millennium Community bid, with strands relating to urban renaissance, education, business and enterprise, broadband and ICT, and transport. The key differences from the perspective of the current report concern transport, where the relatively sharp focus of the DTZ Pieda report seems to have succumbed to the bidding culture referred to in para 2.3:

- a) from being the subject of a feasibility study in support of an objective of secondary strategic importance the BHLR has become a strategic priority;
- b) both Ashford-Hastings and Hastings-Brighton-London/Gatwick are 'priorities';
- c) the A21 improvement is also 'a priority'.

The South Coast MMS (SoCoMMS)

2.21 A '*Hastings Strategy Development Plan*' (HSDP – Ref 11) was carried out in the context of SoCoMMS, and presents an evaluation of the 5PP proposals. The key point for this report concerns the evaluation of the BHLR in terms of its economic and regeneration benefits. The contrast with the cautious views expressed by the earlier reports is striking: the economic benefit (primarily time and accident savings) is assessed at 2.7 times the cost⁶, with regeneration benefits possibly adding a further 20%. The other major benefit identified is a reduction of traffic on the existing A259 at Glyne Gap of 25% (700 vehicles/hr)⁷. On this basis SoCoMMS recommended that BHLR should be taken forward.

2.22 It must be noted that these assessments were based upon comparisons of transport model runs carried out on the assumption that all the land identified in the 5PP had been developed and was in use. Unlike the earlier reports HSDP did not include any consideration of whether such development is in fact likely to occur, and whether (if it did, and was occupied) there would be any displacement of population or employment from existing locations. This point is returned to in para 3.21.

⁶ the Net Present Value (difference between benefits and costs with both discounted to present values) was assessed as £26.5m at 1998 values

⁷ though there is resulting increase of 67% (400 vehicles/hour) on Queensway (which becomes the main link to the A21)

- 2.23 Hastings is stated to be the focus for the SoCoMMS ‘East Coastway’ rail strategy, and major rail improvements were backed, including:
- a) Upgrading the line to Ashford and providing fast services to Ashford and westwards to other ‘coastway’ stations⁸;
 - b) A ‘metro-style’ service (5 trains per hour) stopping at Ore, Hastings, St Leonards Warrior Square, Bexhill and Eastbourne;
 - c) Two new stations at St Leonards West Marina and Glyne Gap.
- 2.24 In addition local transport improvements (mainly bus) were supported, as in ATH.
- 2.25 The Secretary of State’s response to SoCoMMS (July 2003) was in a very different resource context from the response to ATH (nearly 3 years earlier). Pointing out the effect of existing rail commitments, consideration of the rail improvements was remitted to the Strategic Rail Authority (SRA). Of the road schemes relevant to this report, continuing improvements to A21 were accepted⁹, and ‘further consideration’ would be given to funding the BHLR in the light of detailed development work to minimise environmental impacts and subject to performance then against DfT appraisal criteria.
- 2.26 Local transport improvements were remitted to the local authorities to develop funding bids through the LTP process. In this context the Secretary of State asked local authorities to give careful consideration to local congestion charging as a way of funding local schemes, promising that they would keep the proceeds for a decade after implementation (even if a national scheme was introduced).

Local authority land-use and transport plans

- 2.27 The 2003 Annual Progress Report (APR) on the East Sussex LTP (Ref 14) states that transport investment is needed to maintain the viability of both Hastings and Bexhill town centres, *“and thus reduce the need to travel between the two towns ... [and thus] ... relieve traffic pressures on the A259 as the only realistic link between them”*¹⁰. It identifies a number of modest bus improvements within its Bexhill/Hastings package, and includes a supplementary bid for £670,000 in 2004/5.
- 2.28 There are only limited references to the BHLR (presumably because the Secretary of State response to SoCoMMS was awaited), other than to reiterate its necessity for economic development reasons. In the context of the activities of the Sea Space Task Force the APR comments that the proposal for a seafront boulevard would reduce capacity of the A259, and would therefore depend upon the Secretary of State approving BHLR.
- 2.29 The Rother Local Plan (Ref 17) identifies large sites for housing (1105 dwellings) and a business park (48,000 m²) on the North side of Bexhill. Although there is thus a ‘balance’ between jobs and houses (as per PPG13) the development is nevertheless considered by the Highways Agency to be dependent upon access to the A259 at Glyne Gap, and would not be permitted without provision of additional capacity. The Local Plan proposal is that this would take the form of BHLR, for which it makes a reservation.
- 2.30 East Sussex County Council conducted a public consultation exercise in Spring 2004 on the options for the BHLR (ref 20), in conjunction with the two District Councils and in liaison with English Nature, the Environment Agency, English Heritage and the Countryside Agency. In June 2004 the County Council’s cabinet has decided (Ref 22) on its preferred

⁸ the Regional Assembly backed, in addition, the Willingdon chord – crucial to faster services to Brighton, London and Gatwick

⁹ a further 4.8km (Kipping’ Cross to Lamberhurst) was accepted into the ‘targeted programme’ in June 2004

¹⁰ this is interesting as almost the only statement in any of the documentation implying the desirability of limiting traffic growth – though the method proposed seems eccentric.

route¹¹ and to submit this as a bid to DfT for major scheme funding. The County Council has committed further substantial funds (c £1½m) to detailed design and evaluation against DfT criteria.

General comment

- 2.31 The treatment of BHLR is uneven between different documents, even those produced at similar times. At the same time as the design and consultation processes above describe BHLR as a priority, the Hastings and Bexhill Area Investment Framework (Ref 16) and the Task Force Business Plan (Ref 18) barely mention it.

Major Scheme Bid

- 2.32 In accordance with the County Council Cabinet decision referred to above (2.30), a Major Scheme Bid (Ref 25) was submitted to the Government in July alongside the 2004 LTP Annual Progress Report. The proposal and the additional material submitted in support is reviewed in Appendix 2. Both the proposal and its justification flow from the process that has been described in this section of the report.

3 Critique of the BHLR proposal

Introduction

- 3.1 The foregoing (much condensed) account is relevant to a critique of the BHLR proposal because it demonstrates just how shared commitment in a project is generated where multiple organisations and sources of funding are involved. Each organisation supports the others in bidding against their particular source of funding – in return for reciprocal support¹². The problem is compounded by the multiplicity of central funding streams, each with its own specific objectives. In this case the original proposal in RPG for a PAER based on the Sussex Coastal Towns has spawned the following component bids in respect of the Hastings/Bexhill area¹³:
- a) Regeneration Task Force funding from SEEDA (£38m);
 - b) An EC Urban Fund project (£10m);
 - c) An English Partnerships bid (£15m);
 - d) A Millennium Lottery Fund bid for the ‘String of Pearls’ (amount unknown);
 - e) Transport bids totalling around £150m (of which BHLR represents about £50m).
- 3.2 The first four of these have been secured, and the Task Force Business Plan (Ref 18) estimates that this will draw in over £250m of private finance and generate over £20m of income. The energy with which all these strands have been pursued is admirable, and the success so far in securing funds reflects credit on those concerned. But it is easy in these circumstances for partnership projects to become shapeless collections of schemes rather than coherent strategies pursued in a cost-effective fashion¹⁴. This is what seems to have happened here, and as a result the BHLR has achieved a prominence quite out of keeping with its actual significance.
- 3.3 The problem has been compounded by the failure of Government to set regional spending guidelines and to coordinate its own activities, and this has led to the current dominance of a ‘bidding culture’. There are signs that the Treasury is beginning to be seriously concerned

¹¹ a 3.4 miles long wide single carriageway route running to the north of the SSSI, with a combination of embankment and cutting, estimated cost £48m (though cost given as £60m in participation material).

¹² Though, as we have seen, this may be uneven

¹³ Taken from material provided by Sea Space. Other sources refer to £400m total, but it is not clear what this refers to.

¹⁴ Moreover, it is arguable that the balance with the needs of the other Coastal Towns (which include Brighton, Hove, Shoreham and Eastbourne) may have been distorted, though that is beyond the scope of the present work.

about the waste and lack of direction inherent in this situation¹⁵. It recognises that an enhanced regional dimension to decision-making is critical to its regional policy aims and this in turn requires the discipline of regional financial guidelines, so that local politicians are making real choices rather than ‘*buying lottery tickets*’ as has been commented elsewhere.

- 3.4 The following subsections provide the reasoning for thinking that the present proposals lack coherence, and that the BHLR (in particular) lacks adequate justification – first of all at a broad strategic level and then at a more detailed level.

Strategic critique

- 3.5 All parties recognise that the most important issue affecting Hastings/Bexhill is the concentration of economic and social deprivation in this area. This report accepts the premise, but not the proposition that the BHLR is essential to the area’s regeneration. This proposition has two legs: first the postulated link to development, and second the strategic role claimed for the A259. There is also a broader issue about the need to avoid actions which further embed unsustainable patterns of activity and movement.

The link to business park development

- 3.6 The main reason put forward for the regeneration benefit of the BHLR is that it is essential to the development of the North Bexhill Business Park, and this would provide around 2,000 jobs. This is only superficially convincing, for the following reasons:
- a) The large-scale, high spec accommodation specified in the Rother Local Plan (necessary to justify greenfield development in this sensitive location) would only be implemented by inward investment from elsewhere in the region, country or Europe. BHLR does not improve regional accessibility, only local access. As pointed out by both ATH and DTZ Pida, even with good local access Hastings/Bexhill is not a competitive location for such projects compared with other parts of the South East, either in terms of regional accessibility or skills in the labour market. This point is not rebutted by the BHLR Economic Impact Report (Ref 25, Appendix F) – see Appendix 2.
 - b) In any case, the type of jobs provided by such uses would not respond to the skills present in the local labour market. This is not to say that higher-skilled, better-paid jobs should not be sought for Hastings/Bexhill: but if local people are to benefit, skills and opportunities must develop in tandem, in a more organic fashion. Large-scale imports, driven by development imperatives, would merely generate in-commuting from further afield (and mainly by car).
 - c) If BHLR is provided and substantial (public) resources also expended on site assembly, preparation and enticement of investors, weak external demand will lead to pressure to develop piecemeal in response to more local demand. In this case the effect will be simply to displace to the Business Park demand which could have been met by the wide range of existing sites within the urban areas¹⁶, with no net gain of jobs. The quality aspirations of the Local Plan would be unlikely to be met, but the level of car-dependency would be increased.
- 3.7 It is interesting in this context to note that the Hastings/Bexhill Task Force Business plan does not refer to the BHLR or the North Bexhill Business Park. Letters in support of BHLR from Sea Space come later (Ref 25, Appendix G), possibly as a result of the bidding culture referred to earlier (3.1-3 above).

¹⁵ In a series of three papers on ‘*Devolving decision-making*’, issued alongside the 2004 Budget

¹⁶ excluding North Bexhill, employment sites in Hastings and Rother add up to some 30 ha (ATH, table 4.8). Take up of floorspace 1991-8 was around 2,000 m²/year (ATH Table 4.7), or 0.4 ha/year at a plot ration of 50%

The link to housing development

- 3.8 The Rother District Local Plan also includes a major housing allocation at North Bexhill, adjacent to the business park. This raises the question of whether the BHLR is necessary to allow this to go ahead. The exploration of options for the ATH MMS (Ref 3) included relevant analysis, which showed that up to 590 houses could be accommodated in the Worsham Farm location without *any* new road provision, and up to 1,660 houses with a link to Bexhill town centre.
- 3.9 This link (then called the Bexhill Northern Approach Road (BNAR)) now forms part of the BHLR proposals. BNAR runs from the A259 in Bexhill, behind London Road and then on a disused rail bed to the NE edge of Bexhill, a distance of about 1.7 km. The cost (including a link with the Western Bypass proposal) was estimated in ATH at £4m. With the Hastings/Bexhill bypasses the capacity in the area would rise to over 2100 houses.
- 3.10 The Rother Local Plan (Policy BX2) provides for up to 980 dwellings in this area – somewhat above the existing road capacity, but well within that which would be provided by the BNAR. It is clear that BHLR is not required to accommodate planned housing. Indeed it is possible that more housing could be provided within the *existing* road capacity if:
- a) locational and travel behaviour shifted in favour of shorter journeys (eg through urban renaissance and demand management respectively); and/or
 - b) more went by public transport (eg through rail and bus improvements); and/or
 - c) more walked and cycled (eg through traffic calming and cycle provision).
- 3.11 Since this work was done the Barker report¹⁷, has suggested a need to greatly increase housing provision in the South East. The Barker proposals are controversial and the Government has yet to respond to them. Since its primary focus is the inflation of house prices in the London market it seems unlikely that additional allocations in this relatively inaccessible part of Sussex would have much relevance. Nevertheless it is clear that substantial increases would be possible in this area if necessary – an additional 681 (+70%) with the BNAR, even with no change in travel or locational behaviour. However, under current policies for housing land (PPG3) the use of brownfield locations within the urban area would have preference. In this connection we note that Rother District do not appear to have undertaken an urban capacity study to establish the potential brownfield capacity.

The role of the A259

- 3.12 The subsidiary argument for BHLR is the relief of traffic from the A259, which passes through the core of the urban areas, including Bexhill town centre and most of the Hastings sea front. This road is heavily trafficked, limiting the scope for bus priority or environmental traffic management in or between Hastings and Bexhill.
- 3.13 As implicit in their terms of reference (see para 2.2), the appraisal in the MMSs of the impact of alternative strategies on the A259 are heavily coloured by the designation of much of its length as a Trunk Road¹⁸: the major focus is on impacts on *through* traffic. However, very little of the traffic is of this nature: for example the ATH gives a figure of 95% local (ie between Bexhill and Hastings) through Glyne Gap at peak.
- 3.14 It is difficult to see any cogent reason why this route is designated as a Trunk Road at all: there are no nationally or regionally significant flows of goods or other economic linkages either existing or proposed. In most of the country such minor local routes have long ago have been de-trunked. Whether designated a Trunk Road or not, the County Council's perspective appears dominated by a conventional 'end-to-end' view of its function.

¹⁷ Kate Barker (2004) '*Review of housing supply – delivering stability: securing our future housing needs*', HMT

¹⁸ strictly speaking the A259 is a Trunk Road in Bexhill and to the east of Hastings, but not in Hastings itself. This has not affected its treatment in MMSs and LTPs, but serves to underline the point made here.

- 3.15 Because of this, a major benefit of the BHLR is seen as the 25% reduction of traffic on the A259 in the Glyne Gap. This would produce time-savings, but as pointed out above, little of these would represent a wider economic benefit. Moreover, the likelihood is that the emergence of suppressed demand would soon wipe out any such savings. There is also the issue of additional traffic generated by the BHLR on other roads (eg the growth of 67% on Queensway – see para 2.21).
- 3.16 These considerations raise a wider strategic issue: a key component of the Hastings/Bexhill ‘offer’, as set out in the 5PP, is the potential quality of life it can provide. This is in fact a key economic success factor. This suggests that the most appropriate perspective for the appraisal of the economic impact of shifting traffic flows is not road-users’ time savings, but the effects on quality of residential and town centre environments.
- 3.17 One of the options in ATH was traffic management to increase capacity at four junctions on the existing A259 between the towns, at a cost of £1.3m. However, no specific comment is made on the performance of this proposal, perhaps because the effects are not significant from a Trunk Road perspective. In the alternative view outlined above, the potential of traffic management to deliver economic benefits would feature much more strongly. The 1998 Transport White Paper advocated such an approach, it has been demonstrated in many cities and towns¹⁹. The key is to recognise that even Trunk Roads have wider significance than satisfying ‘end-to-end’ movements, and that trade-offs with these other dimensions is central to integrated transport planning.

Sustainability

- 3.18 Much of the analysis and discussion in the two MMSs is on the basis that facilitating access to wider labour markets is an unalloyed economic benefit²⁰. This is obviously true from an employer’s standpoint and in the short term, but there are other effects to consider:
- a) Increased travel distances and greater car-dependency of new recruits from added area;
 - b) Increased competition for local jobs from outside the area;
 - c) Housing market effects, including higher prices reflecting wider range of jobs;
 - d) Relocation of existing employees further away as enhanced accessibility widens choices;
 - e) Increased traffic and congestion arising from all the above;
 - f) Resource and environmental consequences.
- 3.19 In general, the vision informing the BHLR proposal is short run and limited in scope. There is a tendency to see the effects of accessibility changes only in terms of development triggered or inhibited. In reality new development accounts for only around 10% of locational choices (residential or commercial), the rest taking place through transactions within the existing stock (‘churn’). This means that new road provision can trigger increased travel demand without planning restraints being able to do anything about it. Equally, churn is a mechanism by which reductions in demand for movement can occur: the role of urban renaissance is highly significant in this regard.
- 3.20 In fact, as demonstrated by the Economic Impact Report (Ref 25, Appendix F) the labour market accessibility improvements brought about by the BHLR are marginal (see Appendix 2, para 12(f)).

¹⁹ see eg Hass-Klau *et al* (1999) ‘*Streets as living space*’, Landor Press. Following the recommendations of the ‘*South Birmingham Environmental Traffic Management Study*’ (MVA, 1992) traffic calming techniques were applied (with DoT financial and policy support) to extensive sections of major radial routes in Birmingham.

²⁰ The discussion of the merits of a dual carriageway A21 from the M25 to Hastings (ATH 8.16-21) provides a particularly striking example, but the attitude pervades throughout.

Detailed criticisms

- 3.21 Although the MMSs and the technical material accompanying them are voluminous, there are important uncertainties about some key assumptions. For example:
- a) ATH included a dynamic model of land-use/transport interaction, which produced results suggesting that the *net* effect of the major by-pass proposals on employment in the Hastings/Bexhill area would be slight – or even negative. In spite of this, the study concluded that the by-passes were a necessary (though not sufficient) condition for economic regeneration. It is not surprising that the Secretary of State concluded that the case had not been made.
 - b) However, by the time of SoCoMMS/HSDP the regeneration case had apparently dramatically improved, even though only a “*qualitative review of the likely wider impacts on the local economy following improvements in accessibility*” was undertaken (HSDP, para 7.4.1)²¹. It is apparent that the HSDP conclusion is based primarily upon road user time savings estimated from modelling. Later traffic modelling done for the BHLR Major Scheme Bid, suggests that the time savings case is weak (Appendix 2, paras 10-11).
 - c) A further 20% regeneration benefit is postulated, on top of the time-savings: no justification is given for postulating this extra benefit (which runs directly contrary to the conclusions of a lengthy inquiry by SACTRA²²). This issue is explored further in the economic impact work done for the BHLR Major Scheme Bid, but the case is very weak (Appendix 2, paras 12-13).
 - d) The cost of the BHLR, on which HSDP’s strong recommendation to proceed is based, is £26.1m (inc land costs). By the time of the consultation on alternative alignments early in 2004, the range of costs runs from £50-145m, and according to this material the recommended (blue) route would cost £60m²³. By the time the East Sussex County Council considered the issues in June 2004 the cost was scaled back to some £48m, and this is the basis of the Major Scheme Bid. The excess of benefits over costs argued in the bid depends critically upon estimates of user time savings and regeneration, both of which are subject of fundamental criticisms (Appendix 2, paras 10 and 13), and on the cost not being adjusted for optimism bias.
 - e) Although discussions with E Sussex officers suggest that the past cost increase is primarily the result of further work establishing a more accurate figure, there seems also to have been an escalation in design standard. The proposal as described by HSDP is single carriageway 30 mph standard, but in later material, while still single carriageway there is no reference to a speed limit (and the style of road would make one difficult to enforce).
- 3.22 Other significant issues arising concerning the role of the A259. These include:
- a) The increase in scale of the BHLR, and the possibility of its extension inevitably raises a concern about how far the role of the BHLR in relieving the A259 is seen as going. BHLR is justified mainly in terms of removing a development constraint, but at what point does the relief provided to the A259 become so significant that the Trunk Road role and designation should be shifted to the new road? There are references in the report to improving the junctions with the A259 at Glyne Gap and with the A21 at Baldslow, and to extending improvements eastwards along The Ridge. Traffic will be substantially increased on the Queensway by the BHLR alone (para 2.21); with these changes further

²¹ The report points out that this was contrary to the emergent DfT guidance on economic appraisal of transport schemes, even at the time – but nevertheless goes ahead.

²² Standing Advisory Committee on Trunk Road Assessment (1999), ‘*Transport and the Economy*’, The Stationary Office

²³ note: about £4m of the difference could be accounted for by the incorporation of the Bexhill Northern Approach Road (see para 3.9): this was in the ATH ‘with by-pass’ option (but not even mentioned by HSDP)

growth of traffic on all these local roads could be expected, with adverse consequences for local environments. Is this in fact a ‘bypass’ *through* the urban area?

- b) There are frequent buses serving the town centres and running between Hastings and Bexhill, and these are rightly the focus of Quality Bus Corridors within the LTP. However, in the East-West corridor the perspective appears to be that further bus priority depends upon providing additional road capacity for other traffic. In reality capacity can be maintained with bus priority and traffic calming, provided that modest turning lane provision is made at junctions: buses remain in the traffic when setting down and picking up passengers, so lower speeds must be accepted. Given the very limited wider role of the A259, it is not clear that the local demand met by buses should be a lower priority than other movements. Making the lack of a speed advantage obvious in this way could well persuade optional car users to go by bus²⁴.
- c) In this context it should be noted that the alternative of on-line improvement of the existing A259 is discounted in all the MMS work. ATH examined improvement to junctions (costing some £1.3m) but this option was not part of either of the recommended alternatives. HSDP states that such improvements would only provide temporary relief and more effective measures would involve demolition of frontage properties and grade separated junctions. These conclusions clearly betray a perspective in which the through-traffic function of the Trunk Road has precedence. This is not necessarily an appropriate perspective, as we shall see in the next section.

4 An alternative approach

Vision

- 4.1 We have seen how the emergence of BHLR has been from a policy process dominated by transport considerations in general – and Trunk Road considerations in particular. Regeneration benefits have featured as a supplementary argument.
- 4.2 We would suggest that the matter should be approached rather differently. In this view, the regeneration of Hastings/Bexhill has precedence and the debate is then about how transport measures might help to bring this about. We would also suggest that there is a need for local agencies to stop ‘chasing every ball’ in terms of central funding initiatives and instead to take responsibility for making real choices within a realistic view of resources.
- 4.3 In this respect, we believe that the DTZ Pieda analysis comes closest to providing a clear strategic vision, compatible with Regional Planning Guidance. The fundamental point is to recognise that (in DTZ Pieda’s words) “*transport improvements, though helpful, have little impact on regeneration*”. Rightly, in our view, they focus on developing a new economic base through capitalising on the area’s environmental assets. Rather than seeking to be more like the rest of the South East, they suggest developing the ‘Unique Selling Points’ (USPs) that help to differentiate it from the rest of the region. To this we would add that the approach also has the merit of offering real progress towards greater sustainability.

Transport’s contribution

- 4.4 Many of the measures proposed by DTZ Pieda have found expression in the action plans being pursued through the 5PP. From the limited information available at the time of writing, the proposals under the headings of ‘urban renaissance’, ‘education’, ‘broadband and ICT’, and most of ‘business and enterprise’ are entirely appropriate. However, it will be apparent that we do not support the proposals for development of a Business Park in north Bexhill: this proposal is not just irrelevant but has the potential to be highly damaging to the rest of the strategy (for the reasons given in para 3.6).

²⁴ MVA (1992) ‘*South Birmingham Environmental Traffic Management Study*’ this ‘two plus turns’ approach, widely used in Germany, was accepted by DoT and the City Council for the A34 radial route in Birmingham

- 4.5 Without the Business Park, the regeneration case for the BHLR reduces to the potential for widening the labour market available by car to businesses in each of the two towns. No effort has been made by supporters of BHLR to place a value on this case: we would merely note that it runs counter to the Government's desire to reduce car-dependency.
- 4.6 The remaining plank is the relief offered to the function of the A259 as a Trunk Road. We have given our reasons for considering its designation as such to be anomalous. This is not to say that the interests of longer distance road users are of no value: merely that they need to be placed in perspective. We believe that the regeneration of Hastings/Bexhill must rate far more highly than the needs of this relatively small group of road-users.

Demand management

- 4.7 The Government's response to SoCoMMS put the onus on local authorities along the South Coast to consider demand management in general and local transport charges in particular as part of their Local Transport Plans and bids for central transport funding. Demand management does not seem to have been seriously considered in the Hastings/Bexhill area, possibly because it is seen as a potential deterrent to inward investment, and therefore as a response to problems of high growth rather than to a need for regeneration.
- 4.8 However, demand management could play a significant role in reconciling conflicting aspects of the 5PP and realising the vision described earlier. Environmental quality is a critical success factor for Hastings/Bexhill, and the impact of traffic is one of the major challenges to be overcome. Demand management presents a means of providing the better quality of access that will support economic regeneration without encouraging the traffic growth that currently threatens the area's future. Indeed, it provides a means of tackling the existing environmental problems already caused by excessive traffic.
- 4.9 Bus priorities, improvements to pedestrian and cycle facilities, school and employee Travel Plans, car sharing and TravelWise awareness campaigns were part of the MMS baseline, and are assumed to continue. However, research suggests that by themselves these will not reduce traffic by much, if at all – for the simple reason that any road space vacated will draw forth additional demand in exactly the same way as building more roads. Probably the most important complementary demand management measure is the control and pricing of car parking. Measures that should be considered include:
- a) Limiting the overall amount of car parking, both public and private (non residential);
 - b) Discriminating more clearly between provision for visitor/customer parking and commuter use. This discrimination can be expressed in term of time limits or price, or both, and could be implemented relatively quickly:
 - Maximum time limited to short/medium stay close to town centres and other visitor attractions²⁵;
 - Long stay parking located further away from town centres and other locations well-served by public transport;
 - Where parking is metered, prices rising steeply after 2-3 hours;
 - The general level of public parking charges increased, perhaps earmarked to fund specific other improvements;
 - A workplace parking levy imposed upon private non residential spaces (using Transport Act 2000 powers), either generally or in particular areas.
 - c) In the longer term it is clear that more general demand management measures will become necessary. Current statements by DfT suggest that the favoured strategy is universal road user charging implemented using satellite GPS technology. This would have the capability to discriminate between different routes and areas, and respond to

²⁵ this does not have to be enforced with payment meters – for example many French resorts use the windscreen display of a simple arrival/departure disc in designated areas ('zone bleu')

levels of congestion, but is thought to be at least 10 years off. Intermediate measures could include area charging (like London) or tolls on specific routes, but either of these would require more detailed study to determine whether or not they might be appropriate to the Hastings/Bexhill area.

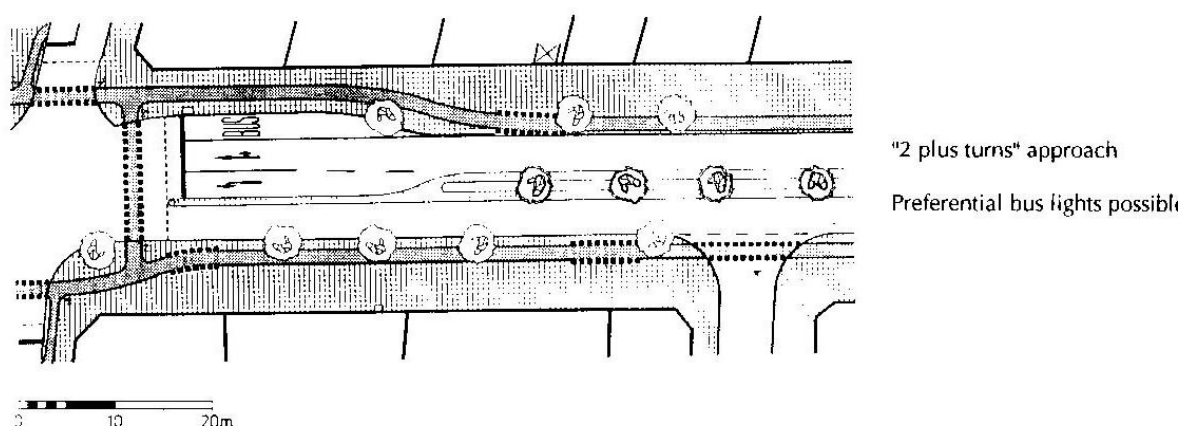
- 4.10 A crucial point in any charging regime is the use of the funds generated: apart from the environmental benefit of reduced traffic, this represents the principal source of economic benefit. In his response to SoCoMMS the Secretary of State emphasised that local authorities would be able to keep the money from local transport charges. The recent White Paper proposal to publish regional and local expenditure guidelines (para 9.11 and 9.21) is helpful in this respect, since provides a benchmark for checking this additionality. This is vital to ‘selling’ such measures to employers and residents.
- 4.11 Also crucial will be the discipline exercised by East Sussex County Council over parking and development in neighbouring authorities. There must be no scope for developers to play local authorities off against each other in search of a more lenient regime.

Transport priorities

- 4.12 From the perspective of their vision for regeneration set out in paras 4.1-4.6, the key transport measures are:
- a) The Bexhill-Ore Metro (including new stations), because of its catalytic role in bringing about the urban renaissance of a string of sites in the core of the existing urban areas;
 - b) Upgrading of rail services to Brighton, London and Gatwick, because of their role in increasing the attractions of the area to the new economic sectors identified by DTZ Pidea (paras 2.13-15). The provision of the Willingdon Chord should be considered in this light;
 - c) Provision of improved bus services and upgraded facilities between and within the two towns (including Quality Bus Partnerships); better physical, timetabling and ticketing integration with rail; and minor capacity improvements to the existing A259 between Hastings and Bexhill, to the extent necessary to improve conditions for buses;
 - d) Traffic calming measures on the A259 to shift the balance in favour of pedestrians where it passes through sensitive urban areas – particularly shopping centres;
 - e) Bus priority and minor junction changes on A259 between Hastings and Bexhill;
 - f) Realignment of the A259 on the seafront so as to provide a pedestrian boulevard and capitalise on this major asset;
 - g) Demand management to prevent future road traffic growth from undermining fundamental environmental attractions essential to regeneration.
- 4.13 In relation to items (c), (d) and (e) above we would stress that this does not necessarily require continuous additional road width. Bus priority can be achieved by stopping buses in the traffic flow and providing priority at turns – indeed this helps to make the point to optional car users about using the bus where possible. Figure 1 overleaf shows a German example of this ‘two plus turns’ configuration, which was adopted for environmentally sensitive sections of major radial routes in South Birmingham²⁶.

²⁶ MVA (1992), ‘*South Birmingham Environmental Traffic Management Study*’

Figure 1: Bus priority and traffic calming



"2 plus turns" approach in Lebacher Strasse, Saarbrücken

- 4.14 We would accept the view of the DTZ Pieda study that other rail improvements (eg to Tonbridge and Ashford) are of lesser significance, and that road improvements on the A21 and on the A259 to the east and west of Hastings/Bexhill are of little importance to the regeneration of the area.

Costs and action

- 4.15 Except for (d), (f) and (g) the transport proposals relate to schemes that were tested in the ATH MMS, where their combined cost was put at around £20m capital and £3.3m pa revenue. Traffic calming (d) would need to be carried out in a strategic fashion across the urban area to gain maximum benefit, and both this and the boulevard concept (f) would need to be carried out to high design standards. However, it is highly unlikely that these components would add up to more than £20m, ie around £40m capital and £3.3m pa revenue, minus resources generated by demand management (g).
- 4.16 As the changing cost of BHLR shows, costs tend to rise as further design work is done – sometimes because new difficulties are unearthed and sometimes because of specification creep (or gold-plating). We are aware that since the ATH some of these schemes have been the subject of further study, and comment should be made on two of these:
- a) the cost of the Willington Chord has risen by a from £4.5m to £30m: at this level cost probably rules the scheme out;
 - b) a basic version of the Bexhill-Ore Metro proposal was tested in ATH (one additional station, 4 trains/hr each way – £6.3m capital, £2.3m pa revenue) and an enhanced version in SoCoMMS (two additional stations, 5 trains/hr each way – £12.4m capital, £5.2m pa revenue). Neither scheme has any commitment from SRA or Train Operating Companies. While development funding for the Glyne Gap station may be possible, without a better train service this is just tinkering.
- 4.17 The most important single scheme from the standpoint advocated in this paper is the Bexhill-Ore Metro. With a small proportion of the money and effort going into the BHLR it should be possible to transform the attitude of the rail industry to the project. Their current lack of enthusiasm is hardly surprising in the light of the priority being given to a road which provides an competing alternative in the same corridor, free at the point of use.
- 4.18 We would suggest that the total cost of transport improvements can and should be kept much lower than the £138m capital and £9.5m pa revenue cost of the present proposals²⁷ – indeed,

²⁷ £90.3m / £9.5m pa from ATH (without bypasses), plus £48m for the BHLR

we would suggest that an appropriate package of measures should cost less in total than BHLR alone as now costed (£48m). The pattern of distribution of costs would be different, with far less on roads and a different pattern of expenditure on rail.

- 4.19 Rather than the local partners accepting a pattern imposed by outside agencies, they should campaign for the pattern that meets the area's real needs²⁸. A realistic overall level of costs would be one major weapon in such a campaign. In the light of the Secretary of State's comments on SoCoMMS, his July 2003 statement and his most recent White Paper, willingness to consider demand management measures would be another.
- 4.20 There is a real opportunity for the local partners to take control of the local regeneration and transport agendas. To do so they need break free from the culture of bidding for everything, and use the various national resources more purposefully. This would be going with the grain of emerging Government policy. The transport innovation fund announced in the Transport White Paper might be the right target for a slimmed down, well integrated, strategic package of measures, such as that recommended here.

²⁸ This ideal has been degraded over the years since Birmingham City Council successfully argued (in 1991) for the 'Package Approach' – the forerunner of Local Transport Plans., but the principle is in tune with newly emerging government thinking about the need for greater devolution and flexibility.

Appendix 1: Reports consulted

1. July 1995:	Bexhill Northern Approach Road - non-technical summary of environmental statement. East Sussex County Council,
2. July 2000	<i>'Access to Hastings MMS: Economic Impact Report (consultation draft)'</i>
3. Oct 2000	Access to Hastings MMS - excerpt from working paper for draft final report. Steer Davies Gleave, Llewellyn Davies, WSAtkins
4. Nov 2000	<i>'Access to Hastings MMS' – final Report + Appendices, SDG et al</i>
5. May 2001	<i>"New Jobs without New Roads"</i> . Report by CAG Consultants for Friends of the Earth
6. June 2001	<i>'Millennium community by the sea: Hastings "string of pearls"'</i> , Expression of Interest to Millennium Commission, Hastings BC
7. July 2001	DfT response to Hastings MMS (press release and copy SoS letter to Chairman of SEERA)
8. Aug 2001	<i>'Transport improvements and Regeneration of Hastings'</i> , presentation by DTZ Pida
9. Sept 2001	<i>'Prosperity for Hastings'</i> , DTZ Pida for SEEDA (Full report on above)
10. early 2002?	SEEDA leaflet on proposed Hastings & Bexhill regeneration strategy.
11. Aug 2002	<i>'Hastings Strategy Development Plan'</i> , Halcrow et al for GO-SE
12. Nov 2002	<i>'The Future of Hastings & St Leonards'</i> . Consultation brochure by Hastings Borough Council
13. Nov 2002	public consultation material on Five Point Plan
14. July 2003	<i>'Local Transport Plan: APR 2003'</i> , East Sussex CC
15. July 2003	SoS response to SE MMSs (inc SoCoMMS)
16. Aug and Oct 2003	Hastings & Bexhill area investment framework. Four documents by Arup for SEEDA
17. Nov 2003	<i>'Rother District Plan: revised deposit draft'</i> , Rother District Council – extracts on Development Strategy (mainly housing), Transport and Bexhill sub area
18. Dec 2003	Summary of Sea Space business plan. Hastings & Bexhill Task Force
19. Jan 2004	<i>'2004: a year for partnership and progress'</i> , John Shaw, Sea Space
20. Feb 2004	<i>'Bexhill & Hastings: future travel options'</i> , consultation by E Sussex CC on routes for Hastings-Bexhill link, E Sussex CC, Hastings BC, Rother DC, Highways Agency, Sea Space
21. April 2004	<i>'Station Plaza Development Framework'</i> . Hastings & Bexhill Task Force
22. June 2004	<i>'BHLR: selection of preferred route'</i> Report of Director of Transport and Environment to E Sussex CC Cabinet
23. June 2004	LTT reports (17/6/04) that A21 Kipping's Cross to Lamberhurst dualling added to HA's targeted programme of improvements
24. July 2004	<i>'Local Transport Plan Annual Progress Report 2004'</i> , East Sussex County Council
25. July 2004	<i>'Major Scheme Bid: Bexhill to Hastings Link Road'</i> <ul style="list-style-type: none"> • Main Report, East Sussex County Council and Mott Macdonald • Appendix A: <i>Reference sources</i> • Appendix F: <i>Economic Impact Report</i>, Llewellyn Davies • Appendix G: <i>Responses from Statutory Environmental Bodies and other key stakeholders</i>

Appendix 2: BHLR Major Scheme bid, July 2004

Context

1. Most of the work for this report was carried out on the basis of the material available up to mid-July 2004 (as itemised in Appendix 1). The Major Scheme bid for BHLR became available in mid-August, and this Appendix reviews the key elements relevant to the purpose of this report, in particular (but not limited to) further information given on:
 - a) the scheme design and cost (Main Report);
 - b) traffic impacts(Main Report);
 - c) economic and regeneration impacts (Appendix F).
2. Relevant conclusions have been incorporated into the main text of this report.

Scheme cost and design

3. The cost of the scheme as now submitted is the same as was reported to E Sussex CC in June 2004 (£48m). Although mainly a 2-lane, single carriageway road, there are only three junctions each with generous provision for turning movements (with the A259 and London Road in Bexhill and – some 3 miles further on – with B2092 Queensway in Hastings). There is no reference to a design speed and there appears no physical reason for a specific speed limit.
4. Queensway becomes 6 lanes wide at the junction with BHLR (2 of which are for buses). Its junction with the A21 and The Ridge at Baldslow is intended to be improved by the Highways Agency. Together these roads would significantly increase access capacity from A21 to Hastings and Bexhill and provide an alternative through route to the A259.

Traffic impacts

5. The traffic modelling undertaken for the bid compares the future situation in a ‘do minimum’ scenario (essentially the existing position) with a ‘do something’ scenario which includes only the BHLR (the A21 junction upgrade is not committed, so its effect is examined in a separate ‘sensitivity test’). The effect of rail improvements (such as the Ore-Bexhill Metro) were not considered, because this would not unlock the N Bexhill development sites or provide additional capacity for bus priority, and would struggle for funding given constraints faced by Network Rail and Train Operating Companies.
6. The working population and jobs in the wider area are derived from standard DfT trend projections (TEMPRO), but this has been adjusted for the comparison of forecast traffic tests in the following ways:

	2008 (opening)	2023 (after 15yrs)
Do minimum scenario	<ul style="list-style-type: none"> Known developments not dependent on BHLR added 	<ul style="list-style-type: none"> As for 2008 scenario
BHLR scenario	<ul style="list-style-type: none"> Total Hastings/Bexhill trips controlled using TEMPRO growth factors 	<ul style="list-style-type: none"> Additional development depending on BHLR included

7. However, for the purpose of assessing the time saving benefit to road users the same amount of demand is assigned to both the scenarios (ie the ‘do minimum’ prediction includes the effect of development which could not go ahead without the BHLR). This is also the basis on which the comparisons are presented (figures 4.1 and 4.2) and commented upon. This is unsatisfactory because it will overstate the amount of traffic (and congestion) without the BHLR, and therefore exaggerate the time savings to road users arising from its construction.
8. With this caveat the key results of the comparison are as follows:

- a) Traffic is reduced substantially on London Road in central Bexhill and on the A259 (in and next to the Glyne Gap, and on the roads feeding in to this section);
 - b) Traffic is increased substantially on roads in Hastings that access the new link (especially Queensway, Gillsman's Hill, Napier Road and The Ridge).
9. The environmental assessment of BHLR is presented as broadly neutral, showing effects ranging from slight/moderate positive to slight/moderate adverse (including an increase of over 5,000 tons pa CO₂). The present value of the main economic/monetary benefits add up to £96.8m, 2.4 times the present value of costs (£40.7m)²⁹. The principal components are:
- a) Accident savings: £9.9m (transfer of traffic from relatively high rate on A259/approaches to lower rate anticipated on BHLR and its access routes);
 - b) Time savings to road users: £63.8m (split about equally between private and business users);
 - c) Regeneration benefits: £23.1m (from the 1,800 new local jobs anticipated, valued at £23k/job)).

Comment

10. The scale of the monetary benefits seems likely to be greatly overstated, for the following reasons:
- a) Accident and time savings are relative to a 'do minimum' with traffic levels inflated by development that could not occur in this scenario (see para 7 above);
 - b) Most of the benefit is from time savings. But given the very localised impact of the scheme, these will mostly be very small³⁰. Though it is standard DfT practice, there are good reasons for doubting whether time savings of a few seconds have *any* economic value, and multiplication by a large number of daily instances does not improve the case;
 - c) Time and accident savings are relative to a situation in which there is no improvement to rail services. The Ore-Bexhill Metro is a key component of the Five Point Plan and in an integrated approach would form part of the assessment – at least as a sensitivity test;
 - d) The view of well-qualified property experts (DTZ Pida) was that inward investment to the N Bexhill site was unlikely even if the Hastings/Bexhill By-pass was built (– and this is even more true of the more limited BHLR). It follows that development, if it occurred at all, would be for more local uses and not a net addition to employment.
11. It is noted that the cost of the scheme has not been subjected to an optimism bias adjustment before being compared with benefits. Table 8.8 suggests a 16% uplift (ie from £48m to £55.7m). This is still below the £60m estimated for the chosen option at the time of the consultation ('Blue', Table 9.1).

Economic development and regeneration impacts

12. Appendix F of the BHLR Major Scheme Bid consists of a 122 page economic impact report by Llewellyn Davies. This contains a large amount of descriptive and numerical material, but represents very little advance in analytical terms on earlier reports (particularly refs 2, 4, 8 and 9). The main points on which it adds to or differs from these earlier documents are:
- a) It confirms the lack of inward investment interest in East Sussex and very low office and industrial rental values, ascribed to poor access to the rest of the South East (Section 2.12);
 - b) It misreports the DTZ Pida Study, claiming that the BHLR and N Bexhill Business Park were key components (Section 3.2.2). In fact this report only suggests that BHLR feasibility should be examined, but made clear that the focus of effort should be on

²⁹ Costs and benefits are in 1998 prices, discounted to present at 3.5% pa

³⁰ even if the time savings were concentrated upon the 35,000 vehicles/day presently using the A259 at the Glyne Gap, spread over 15 years it would average about 15 seconds each per day.

building a new economy on local environmental strengths, not on inward investment (thought unlikely), and that transport improvements should focus on rail access to Brighton, Gatwick and London;

- c) A business survey is reported and prominence given to comments about poor transport infrastructure and accessibility. Unfortunately, this material does not distinguish localised accessibility (to which BHLR might be relevant) from regional/national accessibility (where BHLR is irrelevant), or between rail and road provision.
- d) A more limited survey of 8 major employers by telephone (Section 5.4) elicited views in favour of BHLR on grounds of easier staff travel and movement of goods. The value of such views is limited, given that the questionnaire (Annex 9) shows that they were given without the benefit of any input of information on the wider traffic effects (eg the large increase of traffic on Queensway, the main industrial access road);
- e) The BHLR is stated as necessary to both new housing and the Business Park proposal in N Bexhill (Section 6.11, Scenario 2). In fact Ref 3 shows that only the Business Park proposal depends upon BHLR;
- f) Drive time isochrones are presented, showing changes in accessibility to the two town centres, the current industrial concentration on Queensway and the N Bexhill development site. Only the 10 minute isochrone shows much difference (confirming the extremely local significance of BHLR), and even this is very small (Figures 7.2-7.5). No figures are given for the numbers of additional workers within 10 mins, but the overall benefit is placed at 30 jobs. However, it should be pointed out that any short-term increase in labour market for the chosen locations can be expected to be eroded over time by the concomitant increase in housing market choices;
- g) The combination of N Bexhill Business Park and assumed faster growth of existing businesses thanks to better accessibility, adjusted for displacement of existing employees and multiplier effects is some 1800 jobs, the vast bulk of which (1500 jobs) is attributable to the N Bexhill Business Park.

Comment

13. All reports on the Hastings/Bexhill economy, including this one, note the lack of an inward investment market for commercial premises, such as represented by the N Bexhill Business Park. In spite of the large proportion of the estimated economic and regeneration benefit of BHLR that this represents, the present report does not adequately address this issue. It is highly unconvincing to suggest that the very small increment in essentially local accessibility could make the kind of difference that would be required.