

# Bexhill to Hastings Link Road – Evidence Review

19<sup>th</sup> March 2012

The document has been revised since it was originally circulated in draft (14<sup>th</sup> March 2012). This table summarises the changes (page numbers refer to this version of the document)

| Page  | Change  |
|-------|---|
| 15/16 | Observations on the dependency of jobs on the scheme now presented over two pages (instead of one) - further comments added based on review of material submitted |
| 18    | Updated for revised estimates of benefits and costs   |
| 20    | Reference to congestion impacts of new development trips  |
| 24    | New map showing levels of tranquillity within Combe Valley  |
| 25    | Included reference to waterborne species (Green Bridge)   |
| 26    | New page showing the levels of uncertainty with the analysis  |

In December 2011 the Secretary of State for Transport announced that DfT were unable to make a decision on the Bexhill to Hastings Link Road given the concerns about the scheme particularly in relation to the environment. Further work was commissioned to make sure that the scheme offers the best approach to regenerating the area and to consider whether further environmental measures could be deployed.

The aim of this document is to summarise the evidence collected as part of this further work setting out:

- how well the scheme meets its strategic objectives;
- the scale of regeneration/development potential offered by the scheme; and
- the impact of the scheme on the local environment.

The information and analysis presented in this document is principally based on material submitted by the scheme promoter (East Sussex County Council) and opponents (Hastings Alliance) since the December 2011 announcement, information published as part of the Planning Inquiry in 2010 and the various submissions made during the Development Pool process in 2011.

The document is not intended to be an exhaustive survey of the full range of material available to the Department and instead focuses on a few key questions of particular interest. Further information on the evidence presented in this document (or relating to other impacts) can be provided on request.

In line with the Department's policy on investment decisions the full five cases of the Transport Business Case should be considered.

# The documents considers three high level questions

## What problems do Bexhill and Hastings face?

What is the economic strategy for Bexhill and Hastings and how well does the scheme support this strategy?

What are the full range of impacts of the scheme?

- The local labour market is weak and vulnerable to reductions in the size of the public sector
- There are significant pockets of deprivation within Hastings
- Residents of Bexhill and Hastings are more reliant on employment opportunities within the local area
- Journeys between the towns are already delayed in the peak and would increase significantly as traffic levels grow
- There is pressure for new development but environmental designations constrain this particularly in Hastings

# The local labour market is weak and vulnerable to reductions in the size of the public sector

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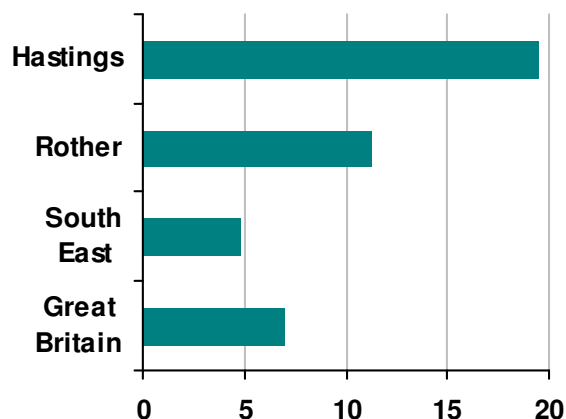
## Residents of Rother and Hastings are more likely to be unemployed and earn less than people elsewhere

Unemployment (%) and Gross Weekly Pay (£)<sup>1</sup> (July 2010 - June 2011)

|               | Unemployed | Gross Weekly Wage |
|---------------|------------|-------------------|
| Hastings      | 10.2%      | £419              |
| Rother        | 7.7%       | £470              |
| South East    | 5.9%       | £554              |
| Great Britain | 7.7%       | £503              |

## Job opportunities are in short supply locally

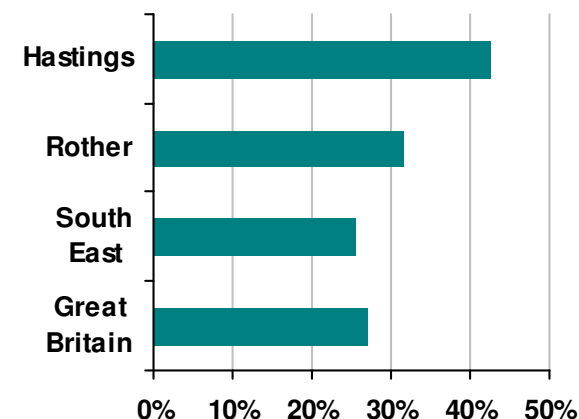
JSA claimants per unfilled jobcentre vacancy (January 2012)<sup>2</sup>



Job density (ratio of jobs to working age population) is 0.62 in Hastings and 0.75 in Rother – lower than in the South East (0.80) and nationally (0.78)

## The jobs residents do have are more likely to be in the public sector

Percentage of employee jobs in public administration, education and health (2008)<sup>4</sup>



A 2012 report<sup>3</sup> found that Hastings was the fourth most dependent city (out of 64) on the public sector. There are 1.5 jobs in private sector for every job in the public sector (compared to 1.7 in Liverpool and 1.9 in Middlesbrough)

Sources: (1) Annual Population Survey and ASHE (both ONS); (2) Jobcentre Plus vacancies – summary analysis; (3) Cities Outlook 2012 – Centre for Cities; (4) ONS analysis of Annual Business Inquiry

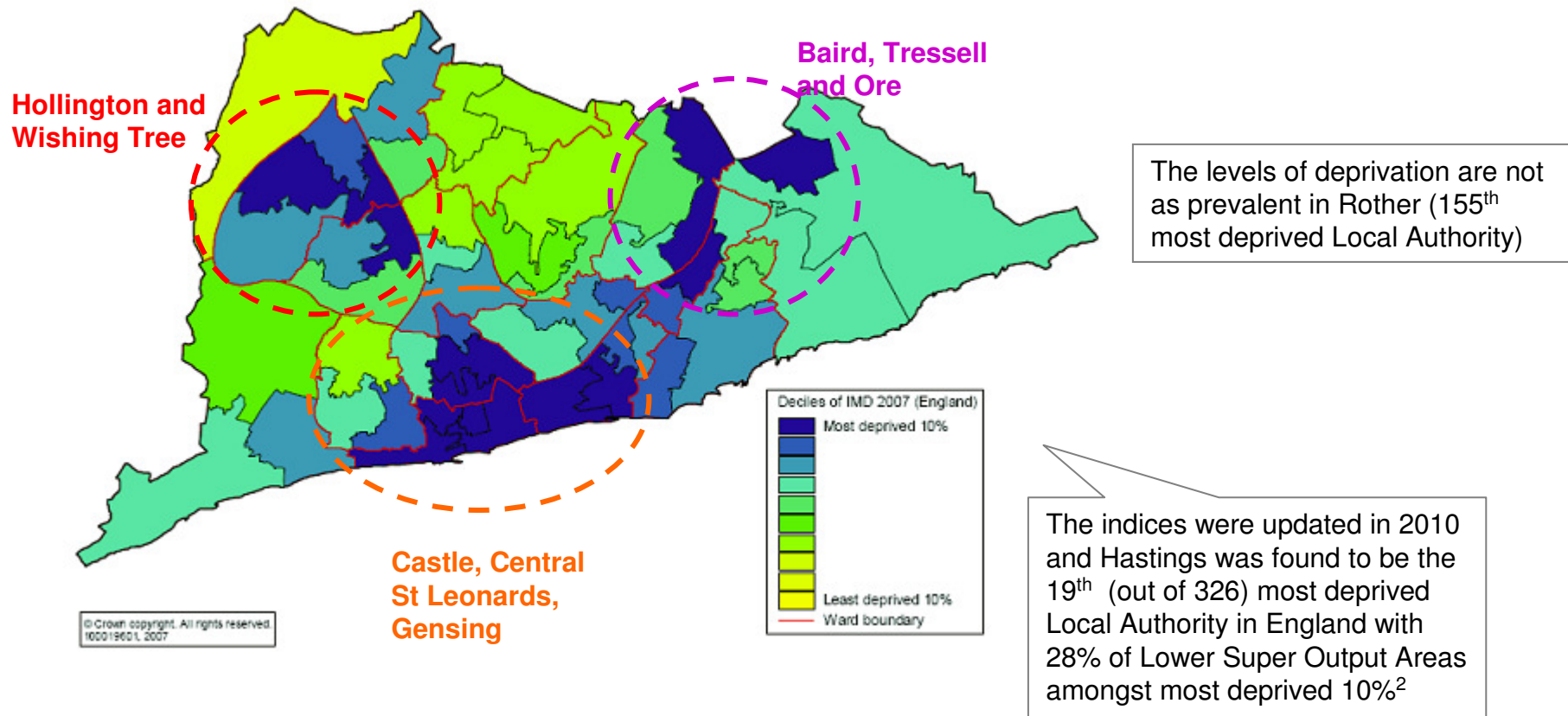
# There are significant pockets of deprivation within Hastings

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## Deprivation in Hastings is concentrated in three areas

Index of Multiple Deprivation (2007) reported by Lower Super Output Area for Hastings  
(Wards containing LSOAs in the bottom 10% are highlighted)



Sources: (1) Extracted from Bexhill to Hasting Link Road – Regeneration Report (October 2009); (2) The English Indices of Deprivation 2010, CLG

# Residents of Bexhill and Hastings are more reliant on employment opportunities within the local area

## There are few large towns within commuting distance

Journey times from Hastings in AM peak

|                 | Rail (AM peak) <sup>1</sup> | Road (AM peak) <sup>2</sup> | Miles |
|-----------------|-----------------------------|-----------------------------|-------|
| Bexhill         | 9 min (3tph)                | 16 min                      | 5     |
| Eastbourne      | 25 min (3tph)               | 45 min                      | 18    |
| Tunbridge Wells | 47 min (2tph)               | 58 min                      | 28    |
| Uckfield        | 175 min (1tph)              | 62 min                      | 29    |
| Ashford         | 92 min (2tph)               | 59 min                      | 32    |
| Maidstone       | 107 min (2tph)              | 67 min                      | 33    |
| Brighton        | 66 min (3tph)               | 80 min                      | 37    |
| Gatwick         | 90 min (3tph)               | 104 min                     | 63    |
| London          | 105 min (3tph)              | 142 min                     | 71    |

Road journey times may not fully reflect peak time congestion – the transport model forecasts journey times between Bexhill and Hastings town centres of around 25 min

## Accessibility to employment sites is typical of similar urban areas for medium sized sites (more than 500 jobs) but poor for large scale sites (more than 5,000 jobs)

Journey times (mins) to nearest employment site – walking/PT & cycling<sup>3</sup>

| Geography                           | 500 jobs     |         | 5,000 jobs   |         |
|-------------------------------------|--------------|---------|--------------|---------|
|                                     | Walking / PT | Cycling | Walking / PT | Cycling |
| Hastings                            | 8.4          | 5.4     | 72.8         | 120+    |
| Bexhill                             | 9.8          | 5.4     | 86.8         | 120+    |
| South East England                  | 10.0         | 6.4     | 33.8         | 32.6    |
| SE "urban - less sparse" areas      | 8.9          | 5.3     | 29.8         | 26.8    |
| England                             | 9.7          | 6.5     | 30.8         | 27.6    |
| England "urban - less sparse" areas | 8.4          | 5.2     | 25.4         | 19.8    |

These statistics only show the journey times to the nearest available employment site – they don't show whether there are employment vacancies at these sites so may give a misleading picture of how far someone might need to travel to access a job

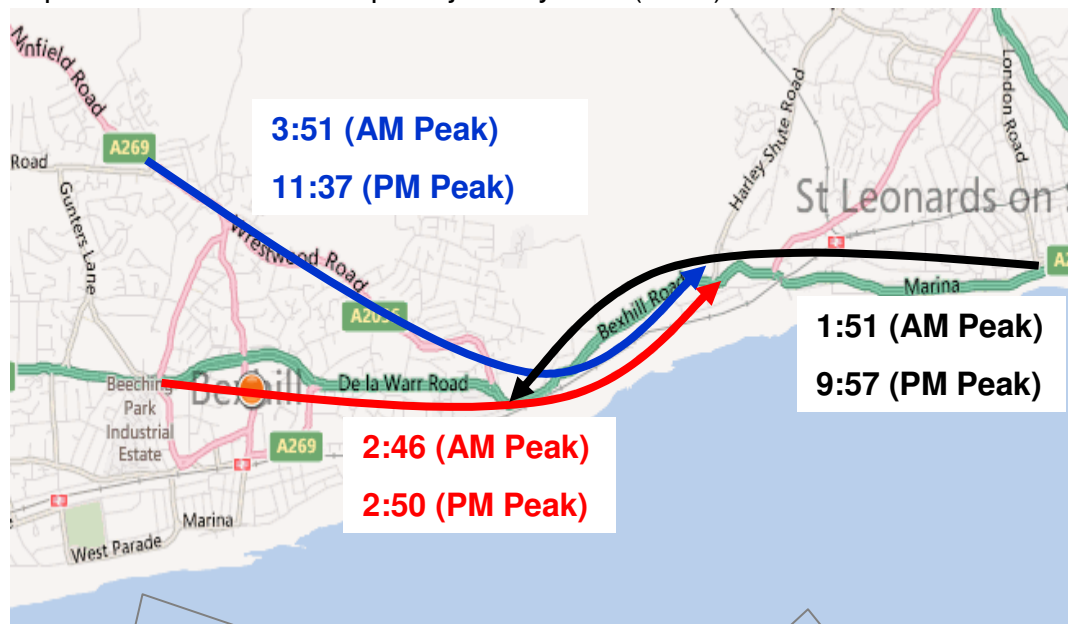
Sources: (1) LE analysis of National rail Enquiries Data – quickest journey shown along with trains departing Hastings between 0800 and 0900; (2) LE analysis of Transport Direct for journeys starting at 0730; (3) DfT Accessibility Statistics

# Journeys between the towns are already delayed in the peak and would increase significantly as traffic levels grow

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**The A259 Glyne Gap is the only significant road between Bexhill and Hastings and suffers from congestion during peak**  
Additional journey time in AM peak (0800 to 0900) and PM peak (16:00-18:00) compared to minimum interpeak journey time (2011)<sup>1</sup>

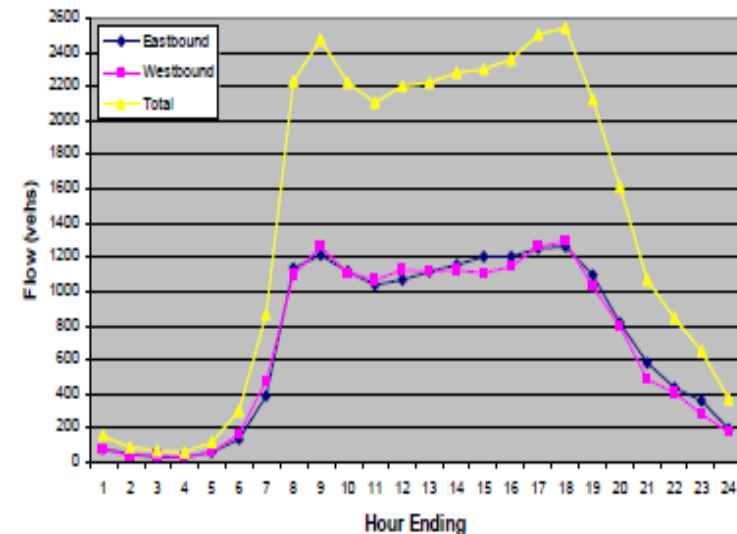


Modelling of junctions and link capacity indicates that increasing traffic by 100 vehicles per hour (7% of AM traffic levels) would increase delays by a further 78 to 165 seconds per vehicle

In free-flow conditions the blue route would take 2 minutes and 54 seconds

**Traffic levels are high throughout the day**

Glyne Gap Automatic Traffic Counter Profile September 2004<sup>2</sup>



We haven't seen the detailed observations which inform this analysis but it appears that the average delay reported here masks significant variation in journey times from day-to-day

Sources: (1) Glyne Gap Capacity Assessment; Mott MacDonald analysis for ESCC (December 2011); Map – downloaded from bing!; (2) Traffic Survey Report ; Mott MacDonald (June 2011)

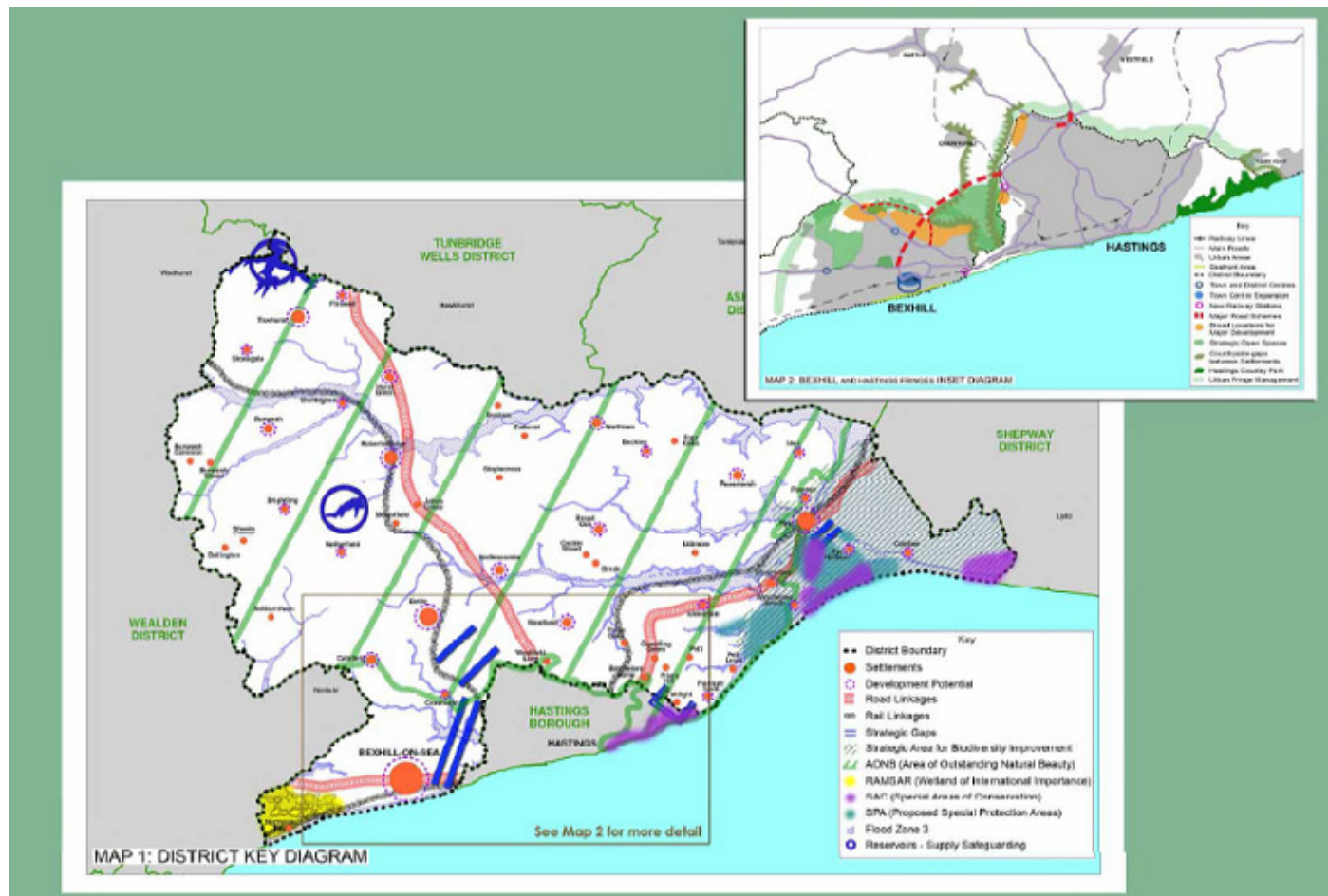


# There is pressure for new development but environmental designations constrain this particularly in Hastings

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Hastings is flanked by an Area of Outstanding Natural Beauty to the North and East<sup>1</sup>



Rother and Hastings estimate that they require 163,000m<sup>2</sup> of additional floor space between 2008 and 2028 to meet increases in the size of the workforce, reduce out-commuting and to replace old stock<sup>2</sup>

Sources: (1) Rother District Council – Local Development Framework: Core Strategy Consultation on Strategic Directions (Nov 2008); (2) Hastings Borough Council and Rother District Council, Hastings and Rother Employment Strategy and Land Review (May 2008) and Update (Aug 2011)



What problems do Bexhill and Hastings face?

**What is the economic strategy for Bexhill and Hastings and how well does the scheme support this strategy?**

What are the full range of impacts of the scheme?

- The Link Road forms part of a Five Point Strategy for regenerating the economies of Bexhill and Hastings
- A strategic development site – served by the Link Road – is included in North East Bexhill
- The scope for a large scale development elsewhere in the area appears limited
- The Link Road is intended to support the Strategy by linking Development sites and improving connectivity
- The scheme improves connectivity between Bexhill and Hastings but also increases congestion within some areas of the towns
- Enhanced connectivity should support the NE Bexhill site but there are doubts about whether all the development can be attributed to the scheme

# The Link Road forms part of a Five Point Strategy for regenerating the economies of Bexhill and Hastings

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**£250-300 million has already been invested from a range of partners since the strategy was first formulated in 2002**

Elements of the strategy that have yet to be implemented are shown in the *blue italic typeface*

## Urban Renaissance

- New developments within Hastings Town Centre
- Renovation of housing stock in St Leonards
- *Housing based regeneration in Ore – 650 new sustainable homes being delivered*

## Excellence in Higher and Further Education

- Hastings University Centre established in 2004 (now accommodates over 1,000 students)
- £100m Sussex Coast College Hastings at two sites in the Town
- Establishment of a Schools Investment Programme and two new academies

## Stimulation of Business and Enterprise

- Opening of Creative Media Centre in Hastings with accommodation for up to 46 businesses
- Innovation Centre opened in 2006 with 71 units catering for slightly more established firms
- Supported Brighton University to develop a Product Development Centre to help encourage local businesses to take-up the latest technology and practices
- First two phases of Priory Quarter development – including 800 new jobs created at SAGA
- *Enviro 21 Business Corridor (including a site in NE Bexhill) to provide additional capacity and specifically deigned premises for the environmental technology and service sectors*
- *Further development of Priory Quarter (6,000m<sup>2</sup>)*

## Broadband and ICT

- Hastings became one of the first areas in the country to get full broadband coverage through a partnership deal with BT
- Advice provided to local businesses on the capabilities of broadband

## Transport

- New £9m rail station opened in Hastings in 2004 *and plans to upgrade Ore station*
- New rolling stock and faster journey times on Ashford-Hastings line
- *Bexhill to Hastings Link Road*
- *Improvements to the A21*

Source: ESCC evidence to Planning Inquiry (ESCC 3/1 and 4/1) and Economic Case for the BHLR (ESCC Paper 13/2/2012)

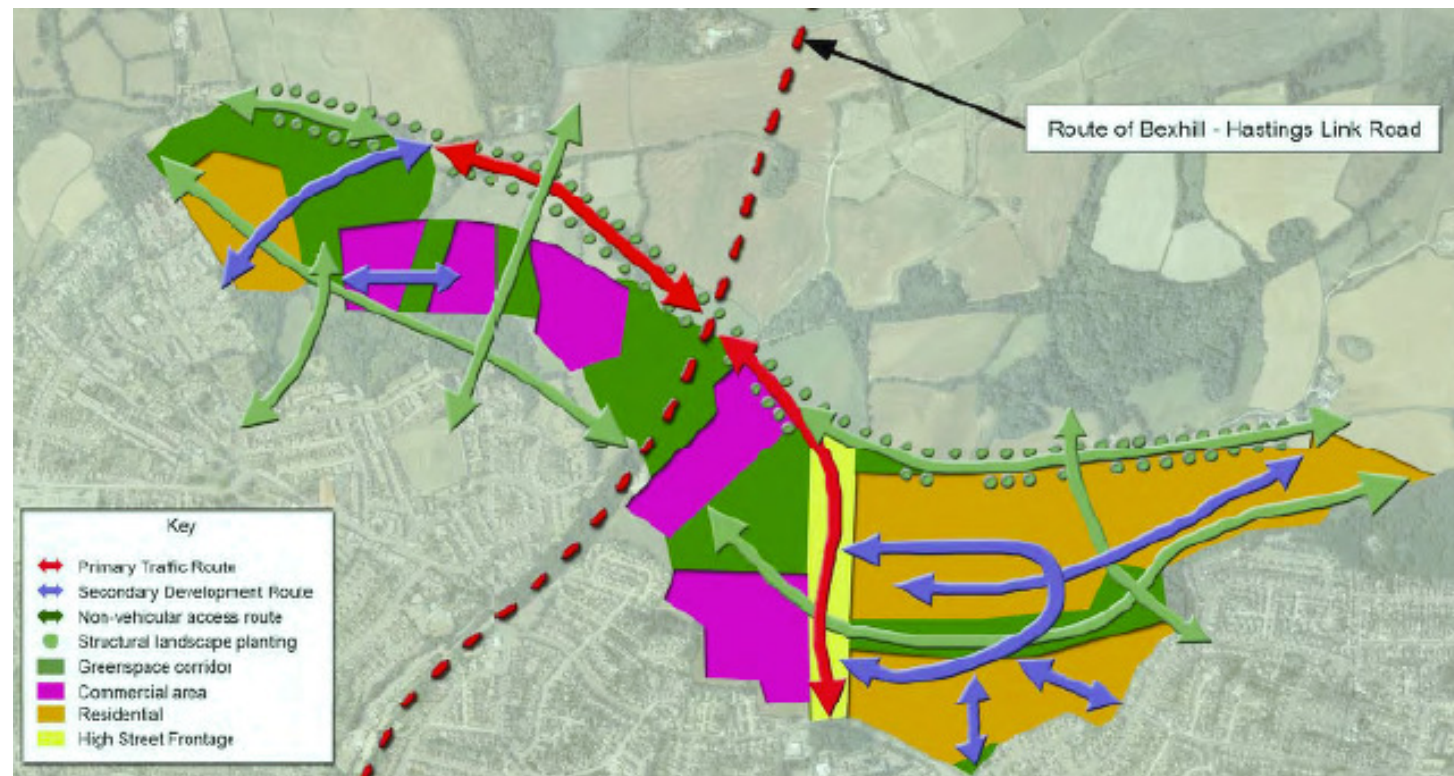
# A strategic development site – served by the Link Road – is included in North East Bexhill

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**The NE Bexhill site would deliver a mix of additional housing and business space primarily for office and light manufacturing purposes**

Western side of the development: would contain at least 130 dwelling and some 28,000 sq metres of business floorspace. The three distinct employment areas allows for each to have it's own distinctive character and use. The mix of uses is not currently prescribed but is expected mainly to be light manufacturing. Other industrial and distribution activities may be acceptable subject to consideration of impact on residential areas.



Source: Rother DC, North East Bexhill Supplementary Planning Document (June 2009)

Eastern side of the development: would contain at least 980 dwelling and some 23,900 sq metres of business floorspace. Business space would be restricted to light manufacturing and office space given proximity to residential areas.

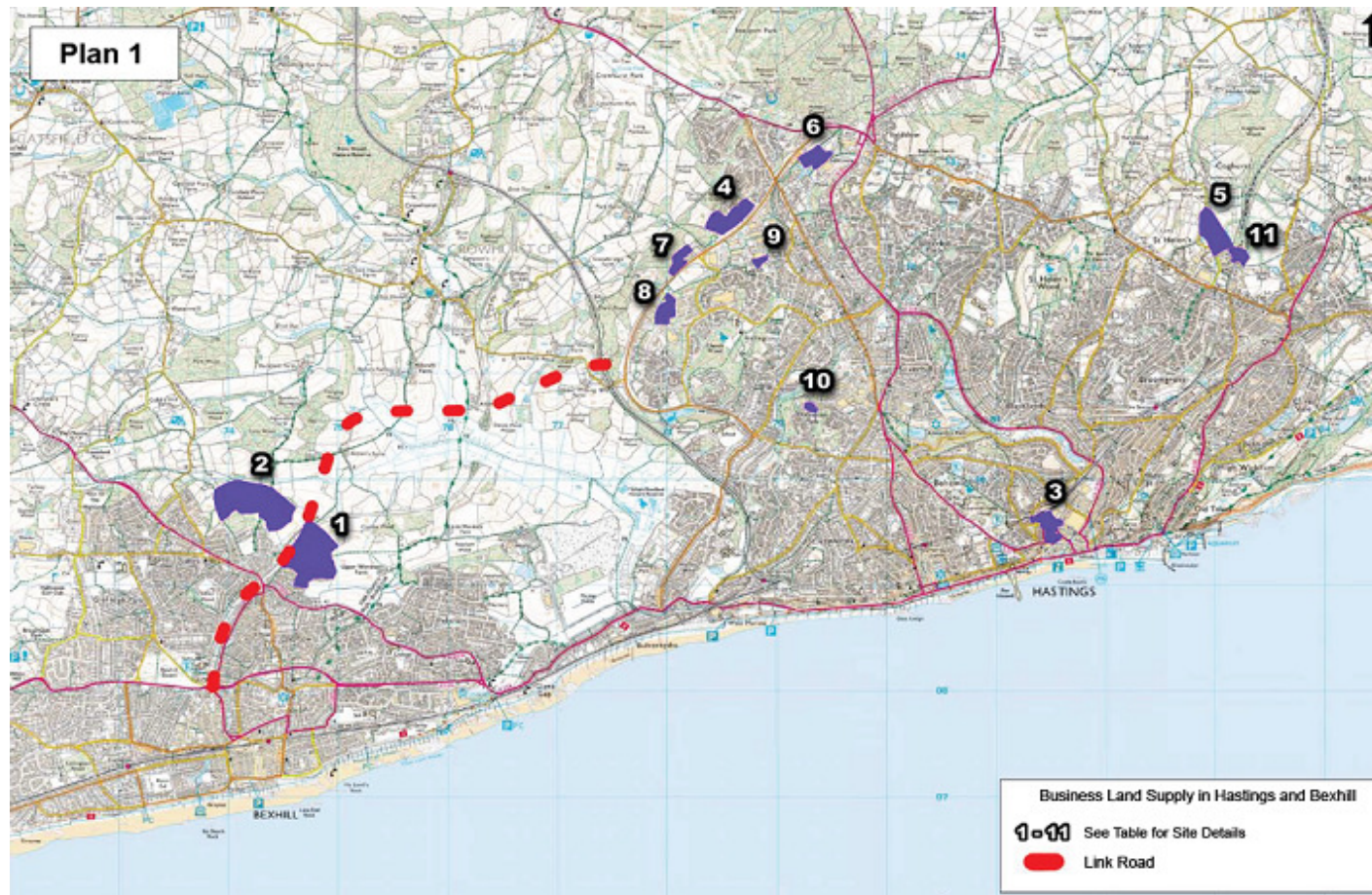


# The scope for a large scale development elsewhere in the area appears limited

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The NE Bexhill site accounts for 42% of the proposed new floorspace – other developments are planned in Hastings but these are generally smaller in scale and constrained by the urban area



## Business Land Supply<sup>1</sup>

|      |                       |
|------|-----------------------|
| 1&2: | 51,900m <sup>2</sup>  |
| 3:   | 21,700m <sup>2</sup>  |
| 4:   | c9,700m <sup>2</sup>  |
| 5:   | c10,000m <sup>2</sup> |
| 6:   | 8,085m <sup>2</sup>   |
| 7:   | c5,600m <sup>2</sup>  |
| 8:   | 10,500m <sup>2</sup>  |
| 9:   | 1,200m <sup>2</sup>   |
| 10:  | 2,170m <sup>2</sup>   |
| 11:  | 3,000m <sup>2</sup>   |

The bidder reports<sup>2</sup> that it is not only the size of the development which matters. The site is flexible enough to accommodate a number of businesses of different size and type and this will make the site highly marketable

Sources: (1) E-mail from Rother District Council of 28<sup>th</sup> February 2012; (2) ESCC, Paper for External Reference Group ERG02

# The Link Road is intended to support the Strategy by linking Development sites and improving connectivity

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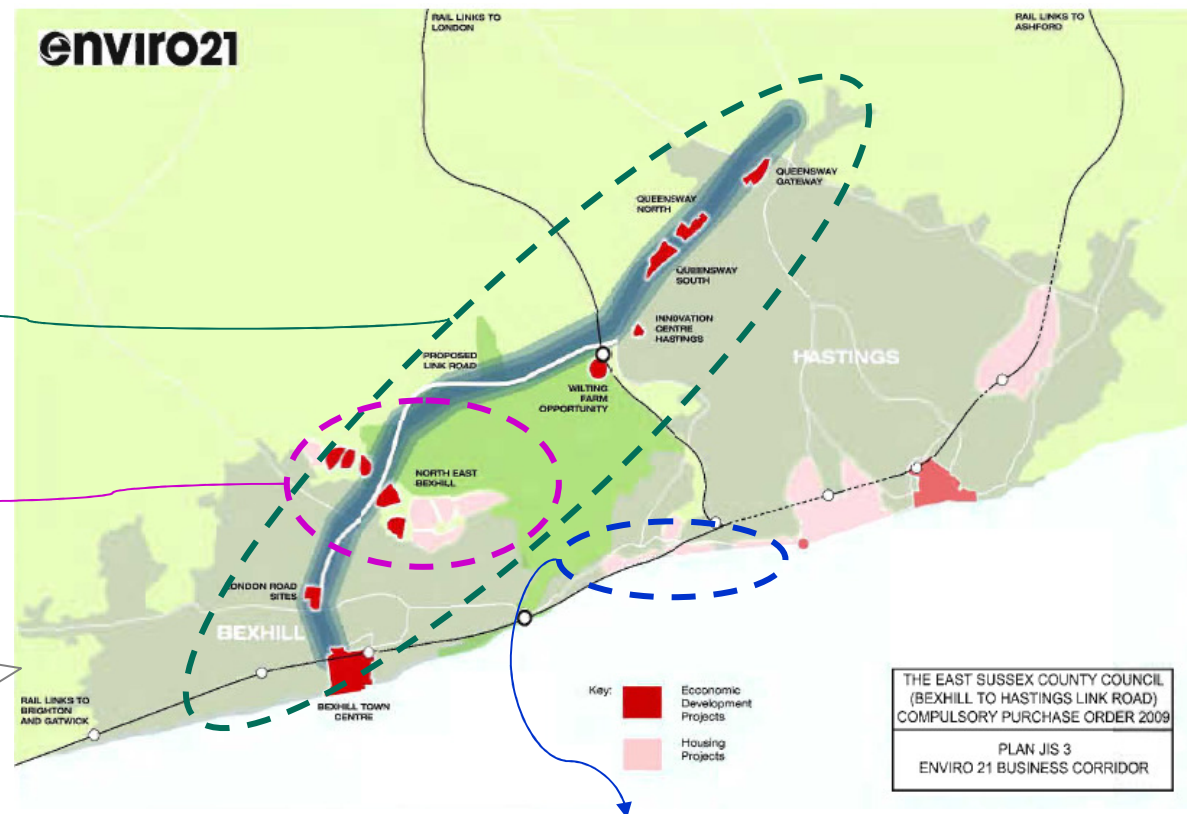
**The Link Road is viewed by East Sussex as integral to the delivery of the regeneration strategy – in particular it reduces congestion and unlocks the strategic development site in North East Bexhill and provides the connectivity to allow the establishment of an environmental technology cluster**

The Link Road connects the major development sites in Bexhill and Hastings and facilitates a cluster of businesses in the environmental technology and service sector

The land in North East Bexhill can only be released if the Link Road is built given constraints on the local road network

*“Interviews with businesses...showed that the BHLR is seen as emblematic of the future of Hastings and Bexhill both in terms of what it will achieve and as a sign of public sector commitment to the area”*

Source: ESCC evidence to Planning Inquiry (ESCC 3/1 and 4/1)



The scheme reduces traffic on the A259 reducing journey times and improving reliability that will in turn encourage increased public transport services, enhanced regional accessibility and reduced severance



# The scheme improves connectivity between Bexhill and Hastings but it does increase congestion within some areas of the towns

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Forecasts provided by East Sussex County Council indicates that the Link Road...

**...significantly reduces journey times within the Enviro21 corridor**

Change in AM peak journey times by car in 2013 from North East Bexhill (forecast) – minutes<sup>1</sup>

|            | Without scheme | With scheme | Change   |
|------------|----------------|-------------|----------|
| Ashdown    | 22.4 min       | 17.5 min    | -4.9 min |
| Hollington | 20.8 min       | 15.3 min    | -5.5 min |

**...enhances connections between deprived areas and employment sites**

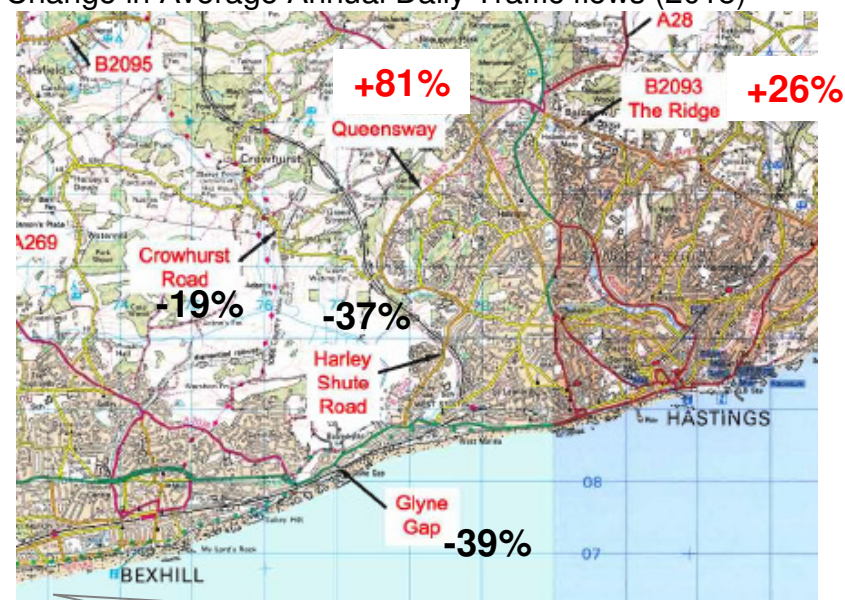
% reduction in AM peak car journey times in 2013 (forecast)<sup>1</sup>

|                                 | NE Bexhill | Central Bexhill |
|---------------------------------|------------|-----------------|
| Hollington & Wishing Tree       | 27-29%     | 37-40%          |
| Baird, Ore & Tressell           | 16-21%     | 15-32%          |
| Castle, C St Leonards & Gensing | 18-20%     | 16-20%          |

...but some may not benefit as nationally 49% of the poorest 20% of households don't have access to a car<sup>3</sup>

**...reduces traffic levels on the Glyne Gap**

Change in Average Annual Daily Traffic flows (2015)<sup>2</sup>



The traffic forecasts indicate an increase in congestion in Bexhill and the North East of Hastings before additional trips from the NE Bexhill development are taken into account – the increased costs of these trips are equivalent to two-thirds of the journey time savings of the scheme<sup>4</sup>

The results reported above are based on traffic forecasts produced in 2009 and for the 2011 BAFB submission and do not incorporate the latest updates to the model. However, we would expect updated forecasts to provide a similar pattern of results

Sources: (1) ESCC Regeneration Report (2009); (2) Mott MacDonald Forecasting Report (2011); (3) DfT, 2010 National Travel Survey; (4) LE analysis of material submitted in BAFB



# Enhanced connectivity should support the NE Bexhill site but there are doubts about whether all the development can be attributed to the scheme

## Four main arguments have been put forward which question the importance of the Link Road to unlocking development in Bexhill and Hastings – the evidence on these is mixed

1. The Link Road isn't sufficient to unlock the developments

- The BAFB indicates increased congestion from the development in NE Bexhill<sup>1</sup>
- Junctions near the NE Bexhill site are forecast to exceed capacity although the bidder reports that this can be addressed through signal optimisation<sup>2</sup>

2. Alternative transport solutions can be implemented which unlock the North East Bexhill development

- The Link Road enhances connectivity to other development sites in North West Hastings which would form part of the environmental technology and services cluster
- The alternative options tested by ESCC only reduced traffic on the Glyne Gap by up to 5%<sup>3</sup> - not enough to significantly reduce journey times on the main link between the two towns
- However, we can't rule out the possibility of a further option (or package) that would facilitate the site and ESCC hasn't provided analysis to show that the site (or parts of it) can't be developed without the BHLR – there is historical evidence which suggests 600 homes could be delivered without any new road link<sup>4</sup>

The 3<sup>rd</sup> and 4<sup>th</sup> arguments are summarised overleaf

The extent to which any new jobs created at the new development sites are themselves additional (or transfer from other locations in the study area or rest of the country) is considered in the final section of this document

Sources: (1) ESCC Economic Assessment Report (Sept 2011); (2) Additional Modelling and Economic Assessment, Mott MacDonald (Feb 2012); (3) Traffic Forecasting Report, ESCC (Jan 2010); (4) Urban & Regional Policy for the Hastings Alliance (Oct 2011)

# Enhanced connectivity should support the NE Bexhill site but there are doubts about whether all the development can be attributed to the scheme

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**Four main arguments have been put forward which question the importance of the Link Road to unlocking development in Bexhill and Hastings – the evidence on these is mixed**

3. Alternative sites can be developed which are not reliant on the Link Road

- It is not apparent that there are alternative sites could meet the strategic objectives of the five point plan and/or deliver the floor space required by local plans

4. There will be no demand for the new developments unlocked by the scheme

- There are no firm commitments from employers to occupy the site & the scheme does nothing to address the remoteness of Hastings/Bexhill from the rest of the South East
- 11% of chargeable premises in Hastings and 16% in Bexhill are currently vacant<sup>1</sup>
- The NE Bexhill site is much larger than other local developments but the planned increase in floorspace over 20 years is consistent with recent trends<sup>3</sup> and ESCC report that experience locally is that new space has consistently achieved 80% occupancy within two years<sup>2</sup>
- Forecasts show significant reductions in journey time (20-40%) for trips between North East Bexhill and parts of Hastings – this will increase the attractiveness of the site to business

The extent to which any new jobs created at the new development sites are themselves additional (or transfer from other locations in the study area or rest of the country) is considered in the final section of this document

Sources: (1) ESCC (e-mail of 2<sup>nd</sup> March & ; (2) The Economic Case for the BHLR, ESCC (Feb 2012); (3) LE analysis of HBC and RDC; ESLR Update (Aug 2011)

What problems do Bexhill and Hastings face?

What is the economic strategy for Bexhill and Hastings and how well does the scheme support this strategy?

**What are the full range of impacts of the scheme?**

- The Benefit-Cost Ratio alone does not provide a good indication of the Value for Money of the scheme
- The bidder has estimated the number of new jobs created but this is based on optimistic assumptions
- Any increase in GVA generated by new jobs can't be directly compared with the benefits of the scheme
- The scheme includes a range of measures to mitigate the environmental effects but there will be a significant residual impact
- The environmental design has attempted to screen the road from view once planting has become established
- Opponents argue that the impact will be obtrusive in some locations and will affect the tranquillity and integrity of the entire valley
- There are options for mitigating the impact of the scheme on biodiversity but the scope for further landscape mitigation appears limited
- It is not possible to provide a precise classification of Value for Money given a range of uncertainties

# The Benefit-Cost Ratio alone does not provide a good indication of the Value for Money of the scheme

The Value for Money conclusion will be sensitive to how much weight is placed on the environmental impacts and the potential of the scheme to promote economic development

## Core BCR

Scheme cost: £60.2m  
Scheme benefits: £155.4m  
Core BCR: 2.6

The scheme delivers improvements in journey time from reduced congestion & a more direct route for some journeys, a reduction in accidents and increases in fuel duty. However, increases in fuel consumption (from increases in vehicle use) leads to an increase in CO2 emissions and running costs. Scheme benefits also reflect increases in noise from the new road

The full range of impacts are reported in the Appraisal Summary Table

## Other Significant Impacts

Improvements in reliability

New housing facilitated by scheme

New business units facilitated by scheme

Regeneration

Moderate Adverse impact on Biodiversity

Moderate Adverse impact on Heritage of Historic Resources

Large Adverse impact on Landscape

Moderate Beneficial impact on Severance

Large Beneficial impact on Journey Quality

## Valuation Evidence

Valued by bidder at **£5.4m**

Value of housing land released is **£98.5m** (only some of this can be attributed to the scheme)  
Increased congestion and landscape disbenefits of **£91.9m**

Indicatively valued by DfT as disbenefits of **£77.3m**  
Bidders argue for a higher mitigation factor based on coverage of mitigation works and estimate disbenefits at **£35.7m**  
Scheme opponents argue that no mitigation factors should be applied which implies disbenefits of **£121.3m**

This column shows the benefits/disbenefits which can be valued using DfT guidance but are less robust

# The bidder has estimated the number of new jobs created but this is based on optimistic assumptions

**The bidder claims over 3,000 jobs will be created in Bexhill & Hastings. BIS benchmarks suggest that the number of additional jobs might be half this amount and we think there are other downside risks**

|  | Promoter <sup>1</sup> | BIS benchmarks <sup>2</sup> | DfT observations  |
|--|-----------------------|-----------------------------|---|
| Gross number of jobs   | 2,670                 | 2,670                       | Assumes 100% occupancy  |
| <u>Deadweight</u> – extent to which development would occur anyway         | 0%                    | 10%                         | As noted in slide 15 the bidder hasn't been able to show how much development could potentially be delivered without the scheme |
| <u>Displacement</u> – reduced output elsewhere in the area                 | 20%                   | 43%                         | Promoter claims to use BIS benchmarks but rate used is lower than reported for capital infrastructure schemes                   |
| <u>Leakage</u> – extent to which jobs are taken by people outside the area | 5%                    | 17%                         | 2009 Regeneration Report produced by the bidder forecasted that 39% of jobs would be taken by those living outside the area     |
| <u>Multipliers</u> – additional jobs from increased spending locally       | 1.45-1.65             | 1.46                        |   |
| Net number of jobs within Bexhill & Hastings                               | 3,074                 | 1,645                       | This is the net number of jobs in the local area – regional/national impact may differ  |

Sources: (1) genecon for ESCC, Valuing Potential Economic Impact (March 2012) – figures reported above include correction for calculation error identified by DfT; (2) BIS, Research to Improve the Assessment of Additionality: figures reported for sub-regional impacts of capital infrastructure schemes

# Any increase in GVA generated by new jobs can't be directly compared with the benefits of the scheme

**The bidder has estimated that the scheme will generate an additional £1 billion in GVA over 25 years, we think this is likely to be an overestimate of national impacts because:**

Our view is that the net number of jobs generated locally is overestimated

The £1 billion estimate assumes that the additional jobs will last 10 years but will be delivered over a 25 year period. It is a strong assumption that market failures would persist over this timescale without the scheme – only considering impacts to 2022 would reduce the GVA impact by 75%

The bidder assumes relatively high levels of GVA per job particularly given existing local wage rates

Additional investment may be required to support the site and jobs e.g. utilities, training etc

No account taken of increased congestion from trips to/from development

No account is taken of any displacement of jobs from elsewhere in England

**Increased GVA can't be directly compared with, or added to the estimates of benefits generated for the scheme for a number of reasons:**

Double counting: Some of the increase in GVA will reflect improvements in productivity that are already captured in the transport appraisal

Different units of account: GVA measures economic output whilst the Value for Money case is based on economic welfare (which considers wider environmental and social impacts). There are other costs associated with generating this increased economic output that would need to be considered e.g. child care, commuting costs, loss in leisure time

Whilst increases in GVA can't be compared directly with the benefits of the scheme – increases in local employment shouldn't be ignored. The cost per job of other government programmes is typically around £20-30k (£20-30m for 1,000 jobs)<sup>1</sup>

(1) Valuing the Benefits of Regeneration (CLG, December 2010)



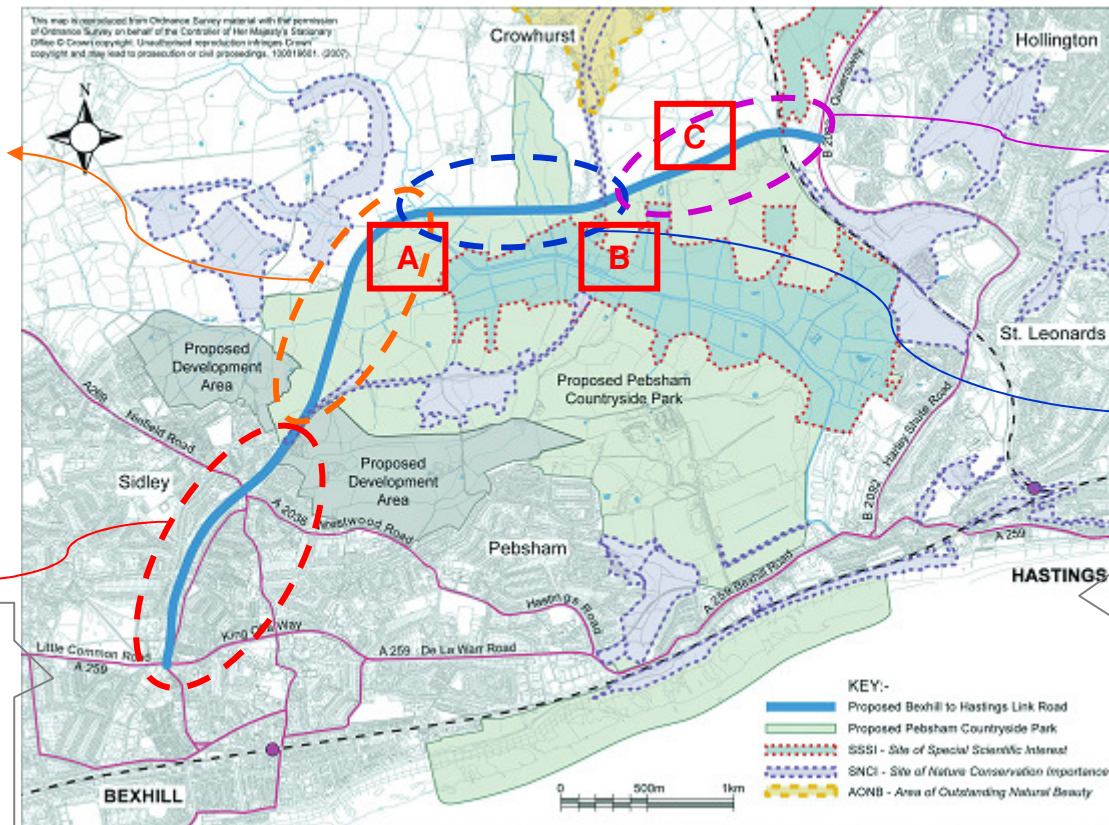
# The scheme includes a range of measures to mitigate the environmental effects but there will be a significant residual impact

The route was chosen to minimise the environmental impact and the scheme includes significant earthworks and planting to screen the road from view (particularly from the AONB to the North)

Managed as open grassland (badger foraging) and neutral grassland with scrub – new shaws and hegererows planted

Minimal landscape impacts in this section as road is contained within a built up area

The bidder estimates that the total cost of environmental mitigation measures is over £21m



Managed as neutral grassland and shrubs and new shaws and hedgerows planted. Creation of 6.6Ha of new woodland to compensate for impact of scheme on Marine Wood

Managed as wet grassland and water bodies

Computer generated images of the future landscape produced by the bidder are shown overleaf (sites marked A and B). Images from scheme opponents are also shown for a 3<sup>rd</sup> site (C)

In generating a monetary value to represent the disbenefits on the landscape we assume that the mitigation works reduces the impact of the scheme by 30%. This gave a monetary figure of £77m – equivalent to 140% of the costs of the scheme. Given the inherent uncertainties associated with valuing landscape disbenefits this should be viewed as a guide rather than a definitive value

The environmental design has attempted to screen the road from view once planting has become established

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OVERALL CASE

Current landscape

A



B



Landscape 15 years after scheme opening



Source: photomontages supplied by bidder

More photomontages are available



Opponents argue that the impact will be obtrusive in some locations and will affect the tranquillity and integrity of the entire valley (1)

Current landscape<sup>1</sup>



Future landscape<sup>1</sup>



The following points have been raised by opponents of the scheme<sup>2</sup>:

*“The BHLR would effectively cut a coherent and historic landscape in half, destroying its integrity in the process, an irreversible intrusion that no amount of mitigation could change...[t]he constant background drone of traffic where once there was none will inevitably destroy the tranquillity and wild ambience of the area.”*

*“...so it [the road] would fragment wildlife habitats, leading to smaller areas of continuous habitat...and the creation of new habitat does not address the issue.”*

## OVERALL CASE





# There are options for mitigating the impact of the scheme on biodiversity but the scope for further landscape mitigation appears limited

Department for  
**Transport**

OVERALL CASE

## Place the road in a tunnel

This would leave the surrounding landscape unaffected



**Additional cost:** more than £100m

**Deliverability:** would require new public inquiry

**Level of mitigation provided:** high – visual impact and fragmentation of habitats would be avoided

## Establish a Green Bridge

To aid movement of bats, dormice and other species and to address issues of habitat severance



**Additional cost:** circa £2-4m

**Deliverability:** may require planning approval but should be possible to proceed separately from BHLR

**Level of mitigation provided:** low/medium – reduces some habitat severance but not for waterborne species. Doesn't address issues of tranquillity/integrity of valley

## “Off-setting” improvements

Deliver a long-term environmental legacy by enhancing habitats elsewhere e.g. hedge management, woodland planting etc



**Additional cost:** circa £1m

**Deliverability:** project already being developed for the Brede-Hastings area through Heritage Lottery Fund

**Level of mitigation provided:** low – doesn't mitigate against the visual impacts within the Combe Haven Valley

Placing the road in a tunnel and deep cutting would be expensive and would delay the scheme by a number of years

# It is not possible to provide a precise classification of Value for Money given a range of uncertainties

**The low-medium VfM range reported for the scheme reflects the level of uncertainty about the conventional transport benefits, the value of the landscape impacts and the regeneration benefits of the scheme**

## Conventional transport benefits

- The bidder reports that off-peak (night time and weekend) benefits are much higher than we would usually expect. We can't demonstrate that these are wrong but the benefits could be overstated by up to 10%
- The model parameters don't fall within expectation and/or forecasts of responses to travel cost changes are outside normal ranges. Sensitivity tests show this could lead to an overestimate of benefits by as much as 15%
- Reliability benefits are only 5% (can be 10-20% in heavily congested areas). Although we believe the benefits claimed have been appropriately calculated, the potential for benefits in unclaimed time periods (e.g. interpeak) means this may understate the case.

## Landscape impacts

- Evidence used to value landscape disbenefits is limited and not as robust as for other parameters used in the appraisal
- The method used to assess landscape impacts requires some level of subjective judgement – estimates should be considered as indicative

## Regeneration

- The case for development in NE Bexhill is based on the release of pent up demand amongst local businesses which want to expand. It is difficult to test whether this organic growth will occur although some evidence has been presented to show that there are constraints
- It is unclear how much development can be accommodated without the road – the promoter hasn't provided compelling evidence on dependency (although if the developments aren't dependent then conventional transport benefits might be higher than reported here)
- Regeneration impacts are difficult to value