

**HAMPSHIRE COUNTY COUNCIL****Decision Report**

<b>Decision Maker:</b>	Executive Member for Policy and Resources
<b>Date:</b>	24 January 2013
<b>Title:</b>	Andover Bus Station
<b>Reference:</b>	4423
<b>Report From:</b>	Director of Economy, Transport and Environment

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## **1. Executive Summary**

- 1.1. The Andover Bus Station enhancement project has been developed in partnership with Test Valley Borough Council and other stakeholders including Stagecoach, Test Valley Community Services and Friends Life. The project has reached the stage where legal agreements are ready to be signed between the County Council, Test Valley Borough Council and Friends Life to enable work to start on site.
- 1.2. The legal agreements are being brought to the Executive Member's attention due to the unusual relationships involved with the project, particularly because of the third party private sector interest in the bus station (Friends Life). The report also brings to the Executive Member's attention the negotiations that have been carried out to minimise the risk of ongoing financial liability of the project to the County Council.
- 1.3. This report seeks a decision to delegate authority to the Director of Economy, Transport and Environment, in consultation with the Executive Member for Environment and Transport, the Head of Legal Services and the County Treasurer, to conclude legal agreements between the County Council, Test Valley Borough Council and Friends Life that will put in place the permissions required to build the new Andover Bus Station and guarantee its future maintenance.
- 1.4. The report also seeks support to allocate a further £500,000 of transport developer contributions collected in the Andover area to the project as a result of:

- the scope of the project being varied during negotiations between the County Council and Test Valley Borough Council in order to produce a viable and deliverable project – approximately £300,000; and
- construction cost inflationary increases due to the unanticipated time delay whilst legal negotiations were ongoing – approximately £200,000.

## **2. Contextual information**

- 2.1. The Andover Bus Station enhancement project has been developed in partnership with Test Valley Borough Council and other stakeholders including Stagecoach, Test Valley Community Services and Friends Life. The project forms a key part of the Andover Town Access Plan, is integral to the town's transport strategy and has strong local political and community support. The project is being procured by the County Council in collaboration primarily with Test Valley Borough Council as land owner.
- 2.2. The land on which the bus station is situated forms part of The Chantry Shopping Centre. The land is owned by Test Valley Borough Council and is on a long lease to Friends Life. A tripartite legal agreement is therefore required to deliver the project.
- 2.3. A larger bus station is required to handle new bus services that will be provided as part of the Major Development Areas in the town (East Anton, Picket Twenty and Andover Airfield). There will be ten bays provided (there are eight at present). The current bus station offers limited facilities for passengers. There is no enclosed waiting area, no refreshment facility nor a Customer Information office. This project addresses these fundamental issues. The enhanced bus station will include:
- additional capacity for buses and coaches;
  - a new internal waiting area;
  - Customer Enquiries office;
  - Café;
  - Shopmobility facility including Test Valley Community Services office;
  - electronic bus information screens;
  - CCTV coverage; and
  - Bus Company office and driver rest facility.
- 2.4. On 21 July 2011 the Executive Member for Policy and Resources approved a project appraisal to remodel and extend Andover bus station at an estimated cost of £2.4 million. Since that time, detailed negotiations have been ongoing between the County Council, Test Valley Borough Council and Friends Life to

put in place the necessary legal agreements that will deliver the project. These negotiations have taken longer than anticipated but have resulted in agreements that are satisfactory to all parties.

- 2.5. At the time of the project appraisal it was anticipated that a legal agreement would only be required between the County Council and Test Valley Borough Council but the negotiations have established the requirement for a tripartite agreement in order to secure the level of commitment to the project from all parties with a legal interest in the bus station. This has contributed to the delay in signing the legal agreements and therefore starting construction.
- 2.6. Planning permission for the project was granted in October 2011.

### **3. Finance**

- 3.1. Since the approved funding allocation in July 2011 the project has evolved in close consultation with Test Valley Borough Council and the other key stakeholders. It has however been necessary to incorporate additional requirements to arrive at a viable solution for all parties and to reach a position where legal agreements can be signed.
- 3.2. The cost increases to the core scheme are principally due to higher than anticipated tender prices and inflation due to the length of time required to conclude the legal agreements.
- 3.3. Further costs have been incurred to meet the collaborative objectives for the project, including the need for limited car park reconfiguration and resurfacing; increased size of the plant room; amendments to office layout to meet Shopmobility and Test Valley Community Services' operational requirements; enhancements to the flooring leading to the adjoining Chantry Centre and the provision of security shutters, and basic fitting out of the café.
- 3.4. Tender returns and Value Engineering for all work packages are complete and the risk of further price fluctuations in the new year has been built into the revised cost figure of £2.871million.
- 3.5. The project is part of the ETE Department 2012/13 Capital programme. The additional funding can be accommodated within the ETE Department Transport Programme using other transport developer contributions in Andover. These funds will be 'paid back' when further contributions specific to the bus station are triggered by existing Section 106 agreements. Whilst all contributions specific to the bus station have not yet been triggered, sufficient overall funding will be available through Section 106 contributions to cover the initial £2.4 million and the additional funding.

### **4. Performance**

- 4.1. The new bus station will create a much improved visual gateway to the town centre and contribute to the regeneration of the area by improving pedestrian

links between the town centre and Andover College, the Lights Theatre and Andover Leisure Centre. The project will also integrate the Shopmobility service and the Test Valley Community Services offices into the bus station to the benefit of local residents. The new café will also create an area where people will spend time rather than simply pass through. This will help to attract more people into the town centre shopping area and will help boost trade for the businesses within the Chantry Centre.

- 4.2. The bus station will also improve the punctuality and reliability of bus services in the town and will make the bus network more attractive. It will contribute to further increases in bus patronage and improve access to the town centre particularly for the elderly and mobility-impaired. Surveys have shown that residents will particularly appreciate the Customer Information office and café facilities.
- 4.3. Once the appropriate legal agreements have been signed, it is anticipated that construction could start on site during March 2013. The construction programme is planned for approximately 52 weeks.

## **5. Legal Agreements**

- 5.1. The legal agreements are being brought to the Executive Member's attention due to the unusual relationships involved with the project, particularly because of the third party private sector interest in the bus station (Friends Life). The report also brings to the Executive Member's attention the negotiations that have been carried out to minimise the risk of ongoing financial liability of the project to the County Council.
- 5.2. The legal agreements are required for several reasons. Firstly to enable the County Council to gain access to the site and work on land owned and leased by Test Valley Borough Council and Friends Life respectively. Upon completion, Test Valley Borough Council will take on a sub-lease from Friends Life for the bus station which will ensure high standards of cleaning and maintenance into the future.
- 5.3. The legal agreements are based on the principle that The County Council will fund the construction of the project through developer funding, procure the works but will not take on any ownership or maintenance liabilities beyond the building warranty period, as is the case with all other bus stations in Hampshire.
- 5.4. A section of the new building will be leased by Test Valley Borough Council to Test Valley Community Services as office space. The existing Shopmobility service, which operates from a temporary building at the bus station, will be incorporated into the new building to provide a much improved service. Stagecoach, as the predominant local bus operator, will lease space within the bus station for an office, drivers' rest room and a Customer Information office. The new café will also be let by Test Valley Borough Council. Income

from these rentals will cover the ongoing cleaning, maintenance and repair costs.

- 5.5. The agreements will further protect the County Council's capital investment by ensuring that the bus station site remains used as such and will not be redeveloped for the length of the lease between Test Valley Borough Council and Friends Life, unless a similar or better facility is provided elsewhere in the town centre.

## **6. Recommendations**

- 6.1. That authority be delegated to the Director of Economy, Transport and Environment, in consultation with the Executive Member for Environment and Transport, the Head of Legal Services and the County Treasurer to conclude legal agreements between the County Council, Test Valley Borough Council and Friends Life that will put in place the permissions required to build the new Andover Bus Station and guarantee its future maintenance.
- 6.2. That a further allocation of £500,000 of transport developer contributions collected in the Andover area be directed to the project, as a result of
- the scope of the project being varied during negotiations between the County Council and Test Valley Borough Council in order to produce a viable and deliverable project; and
  - construction cost inflationary increases due to the unanticipated time delay whilst legal negotiations were ongoing.

**CORPORATE OR LEGAL INFORMATION:****Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	yes
Corporate Improvement plan link number (if appropriate):	
<b>Maximising well-being:</b>	no
Corporate Improvement plan link number (if appropriate):	
<b>Enhancing our quality of place:</b>	yes
Corporate Improvement plan link number (if appropriate):	

**Other Significant Links**

<b>Links to previous Member decisions:</b>		
<u>Title</u> Project Appraisal: Andover Bus Station	<u>Reference</u> 2494	<u>Date</u> 21 July 2011
<b>Direct links to specific legislation or Government Directives</b>		
<u>Title</u>	<u>Date</u>	

**Section 100 D - Local Government Act 1972 - background documents**

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

## **IMPACT ASSESSMENTS:**

### **1. Equalities Impact Assessment:**

- 1.1 The proposals in this report have been developed with due regard to the requirements of the Equality Act 2010, including the Public Sector Equality Duty and the Council's equality objectives. The website contains a summary [assessment of the impacts](#) on Safe and Well Managed Highways in Hampshire.
- 1.2 It is considered that the issues covered by this report will not have impacts requiring further specific actions by the Council above those already established in its existing policies and working procedures.

### **2. Impact on Crime and Disorder:**

- 2.1. There will be a positive impact in respect of security (perceived and real) through the provision of improved waiting facilities, better lighting and CCTV coverage.

### **3. Climate Change:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption? The bus station's structure, fabric and services have been designed to meet best practice and will be highly insulated to meet the latest building control standards. The carbon footprint for the existing site will increase nominally with the extended facility but this will be mitigated with the use of high efficiency plant and equipment, achieving high co-efficients of performance which will reduce future energy demands.
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts? Improving public transport infrastructure and services can promote increased use of sustainable methods of travel and reduce car dependency. In turn this can help to reduce carbon emissions in the local area. The project will use refrigerant gases within the heating and cooling systems supplemented by automatic controls to minimise energy use.