

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Executive Member for Economy, Transport and Environment
Date:	15 September 2015
Title:	Local Enterprise Partnership Funded Major Transport Schemes Update
Reference:	6870
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

- 1.1. The purpose of this paper is to briefly recap on the transportation funding included in the July 2014 Local Growth Deal (LGD1) and summarise the further funding announced in the January 2015 Local Growth Deal 2 (LGD2) for both Solent and Enterprise M3 (EM3) Local Enterprise Partnerships (LEPs). It seeks agreement to continue to develop and design a range of major transport schemes identified in the Growth Deals as well as seeking approval for the County Council's contribution towards delivering the 2016/17 and 2017/18 schemes. The report also seeks authorisation to begin advance works in respect of the 2016/17 schemes and agreement for officers to continue to develop schemes beyond 2018.
- 1.2. The paper explains the progress, design and funding of specific major transport schemes identified in the Executive Member report of 4 November 2014. It summarises recent organisational and funding changes with Highways England (formerly Highways Agency) and highlights elements of the current and future major scheme studies programme which will ensure the County Council is able to maintain a pipeline of major transport schemes from 2020 onwards.

2. Contextual information

- 2.1. The new Government places a significant emphasis on supporting growth, creating jobs and building new homes alongside investing in improved road, rail and communications infrastructure.
- 2.2. The role of both LEPs continues to be important for future transport scheme funding with the January 2015 LGD2 announcement providing further provisional funds for several schemes in the County. It is likely that there will

be a fresh opportunity to bid for the third round of LGD funding later this year and it is essential that officers continue to develop a pool of major schemes if the Council is to take advantage of future funding rounds and other funding opportunities as they arise.

- 2.3. The creation of Highways England as a government owned company in April 2015, and the Department for Transport's Road Investment Strategy (RIS) from December 2014, has created further significant opportunities to secure large scale improvements to the road network in Hampshire. The first RIS period (RIS1) runs to 2020 and includes £15.2 billion nationally with over £0.25 billion planned for roads within Hampshire. There is a significant opportunity for this funding to both benefit and invest in the County controlled road network. A strong relationship with Highways England is very important for the County Council.
- 2.4. The national devolution agenda is also relevant to transport funding, and the Hampshire and Isle of Wight devolution proposal could lead to greater opportunities to access transport funding.

3. Local Growth Deal 2 and Scheme Finance

- 3.1. The funding settlement in LGD1 is set out in the Executive Member report of 4 November 2014. This report updates that settlement to include LGD2.
- 3.2. The current value of major schemes in advanced development or the delivery stage by the County Council now totals £140.4million (including Stubbington Bypass), of which £74.883million is LGD funded.
- 3.3. It is important to recognise that these substantial capital settlements require significant upfront revenue funded investment. Securing these funds requires schemes to be appropriately designed, costed and evidenced. These activities are multi-disciplinary, time consuming and do need to be sufficiently resourced if we are to maintain our current level of success. The 2015/16 scheme development budget is £1.0million.

EM3 LEP

- 3.4. The January 2015 LGD2 provided £7.1million further provisional funds for several schemes in the EM3 LEP area of Hampshire and a further provisional settlement of £4.5million was secured in July 2015 (totalling £11.6million of additional LGD funding). A full breakdown of the provisional financial situation for LGD1, LGD2 and the top up in July 2015 is shown in Table 1 by scheme.
- 3.5. In summary, the EM3 LEP LGD2 included a further £4.1million of funding for the Farnborough Growth Package adding to the funding allocated to this package in LGD1 and £3million of further funds for the Basingstoke South West Corridor which focuses on the A30 and Brighton Hill roundabout.

- 3.6. Finally in July 2015 the EM3 LEP board agreed a further proposal from the County Council to allocate an additional £3million towards enhancing and accelerating the North East Corridor to Growth in Basingstoke and an additional £1.5million towards the Whitehill Bordon Growth Package as part of that scheme's Full Business Case approval. This additional funding is also captured in Table 1.
- 3.7. It is proposed to allocate £7.050million of additional County Council capital funding from within existing ETE capital programme resources as further match funding for projects in the EM3 LEP area. Details are shown in table 1.

Solent LEP

- 3.8. The Solent LEP LGD2 included an additional £2.7million towards the widening of the A27 in Fareham between Titchfield Gyatory and Segensworth. This is in addition to earlier funds included in LGD1 for this corridor, although £1million lower than the bid. The November 2014 report included the original bid figure but notes this was unconfirmed.
- 3.9. It is proposed to allocate £1.795million of additional County Council capital funding from within existing ETE capital programme resources as further match funding for projects in the Solent LEP area. Details are shown in table 1.

4. Funding Agreements and Multi-year schemes

- 4.1. Completion of 2015/16 (Year 1) Funding Agreements with both LEPs was completed in June. These Agreements set out the terms of the 2015/16 Grants, the programmes and profiles, governance and monitoring requirements.
- 4.2. Grant expenditure for both LEPs will be claimed in arrears according to an agreed schedule, and will not exceed the annual LGD allocation. First quarter claims were postponed while Agreements were completed, and attention is currently being given to the detail of the claims procedures in preparation for Q2.
- 4.3. For multi-year projects, i.e. schemes that start in one year and finish in another, it will be necessary to have 'Year 2' Funding Agreements in place. This exercise will likely take place after Christmas, or after the LGD 2016/17 allocations can be confirmed.
- 4.4. Neither LEP can guarantee LGD funds beyond 2015/16 at this time because they have not yet had final confirmation from government. The Solent LEP has indicated for multi-year schemes that scheme promoters must evidence their commitment to fund and complete schemes fully in the absence of future years' LGD funding being forthcoming. This requirement affects the A27 Gudge Heath Lane/Station Roundabout. The EM3 LEP has not raised this issue to date.

5. Individual Projects, Performance and Timescale

EM3 LEP Area

A33 Corridor, Basingstoke

- 5.1. Following the conclusion of funding agreements with the EM3 LEP, the first phases of the A33 Corridor are now due to start on site this month under one contract. The A339/A33 Ringway junction and A33 Popley Way junction schemes will be completed by late spring 2016.
- 5.2. The next phase of this corridor improvement has been strengthened by the EM3 LEP Board approval of the County Council's July bid for an additional £3million for the Crockford Lane and Binfields junctions which will now be combined in a single, enhanced and accelerated scheme. The design of the revised scheme is progressing and it is intended that advance works will commence in Early 2016.
- 5.3. The final two phases of this scheme will include improvements to the A33 / Thornhill Way crossroads and the A33 / Taylors Farm roundabout. This scheme is currently being developed and will be implemented from 2018/19. A summary profile of this scheme is included in Appendix C.

A340 Corridor, Basingstoke

- 5.4. Following the conclusion of funding agreements with the EM3 LEP the A340 Corridor scheme is now due to start on site in the Autumn and will be completed by late Summer 2016.

A30 Corridor, Basingstoke

- 5.5. The first phase of this corridor is the improvement of the Winchester Road roundabout. A Full Business Case to the EM3 LEP is planned for November 2015 with advanced works starting in 2016 followed by main works expected to start in late Summer 2016/17. A summary profile of this scheme is included in Appendix C.
- 5.6. The second phase is the improvement of the Thornycroft roundabout. A Full Business Case to the EM3 LEP is planned for November 2015 with construction expected to start in 2017/18 and to follow the completion of the Winchester Road scheme. A summary profile of this scheme is included in Appendix C.
- 5.7. A further stage is planned for the A30 Brighton Hill roundabout following the provisional allocation of £4million within LGD2. However this is now being reviewed pending the outcome of a strategic transport study in Basingstoke being carried out with DCLG funding. The study aims to identify a long term strategic transport infrastructure package supporting growth which will include the western approaches to Basingstoke. This may influence the progression and scale of a scheme at Brighton Hill and a further update will be reported in 2016/17.

Public Exhibitions July 2015

- 5.8. A series of public exhibitions were held in Basingstoke in July 2015 regarding the proposed major improvement schemes at the:
- A30 Winchester Road roundabout;
 - A340 Thornycroft roundabout;
 - A340 Aldermaston Road;
 - A339/A33 Ringway and A33/Popley Way junctions;
 - A33 Crockford roundabout;
 - A33 Binfields roundabout;
 - A33 Thornhill Way Junction; and
 - A33 Taylors Farm roundabout.
- 5.9. The public exhibitions were held at the Popley Community Centre on the 2nd July; at the Basingstoke Baptist Church on the 8th July; and, at the Everest Community Academy on the 9th July. A total of 120 people visited these exhibitions and the attendees were invited to complete a feedback form. The closing date for the receipt of responses is 13th August, but to date, 74 feedback forms have been received, including 12 online submissions.
- 5.10. The initial headline results from the feedback forms received to date suggest that:
- 61% consider that the schemes will help to increase road capacity;
 - 57% consider that the improvements will improve access to Basingstoke; and
 - 50% indicated that the schemes will improve road safety.
- 5.11. Further analysis of the detailed comments provided will be undertaken and where appropriate the scheme design reviewed and amended as necessary. It is proposed that the detailed comments will be summarised and fed back through the scheme project appraisal reports in due course.

Whitehill Bordon Growth Package

- 5.12. Following the EM3 LEP board approval of the Full Business Case and additional funding alongside the granting of planning permission for the northern section of the Relief Road and southern section (subject to conclusion of a Section 106 Agreement), it is intended to commence construction of the northern section in the Autumn of 2015. Commencement of the southern section is planned for 2016/17. A summary profile of this

scheme is included in Appendix C and full details of this scheme are included in a separate report (Reference 6868) also being considered at the 15th September Decision Day meeting.

Farnborough Growth Package

5.13. LGD2 included an additional £4.1million for this package. The scheme is currently being developed and is likely to involve multiple elements which address known problems on the A325 and A327 corridors, but also allow for future ambitions at the Civic Centre. The scheme will be developed during 2015/16 and it is likely that a Business Case will be submitted to the EM3 LEP in early 2016/17. A summary profile of this scheme is included in Appendix C.

Solent LEP

Peel Common roundabout and St Margaret's roundabout

5.14. Following the conclusion of a funding agreement with the Solent LEP, the Peel Common and St Margaret's roundabout schemes commenced construction in August. The schemes will be completed by Spring/Summer 2016.

A27 Bishopsfield Road to Station Roundabout and Fareham Train Station

5.15. Following the conclusion of a funding agreement for 2015/16 with the Solent LEP, the advance works for this scheme will commence in Winter 2015/16 subject to the successful negotiations over third party land. The main works are due to commence in Spring 2016 and the scheme will complete in Spring 2017. A further funding agreement will be required for the main works. A summary profile of this scheme is included in Appendix C.

A27 Widening - Titchfield Gyrotory to Segensworth

5.16. LGD2 included an additional £2.7million for this scheme which is currently being designed to a detailed stage. The scheme has an approved Full Business Case (which was approved as part of the St Margaret's roundabout scheme). The advanced work for this scheme will commence in early 2016 and, subject to the conclusion of negotiations over third party land, it is intended to start main works on site in 2016/17 after St Margaret's is completed. A further funding agreement will be required for this scheme. A summary profile of this scheme is included in Appendix C.

Newgate Lane South

5.17. LGD2 included an additional £6million for this scheme which is now fully funded. The scheme involves constructing a new road between the Peel Common roundabout and the recently completed scheme at Newgate Lane north. A planning application was submitted in July for the new road.

Preliminary discussions with affected third party landowners have been held to provide information on the scheme design and the scheme has an approved Full Business Case (which was approved as part of the Peel Common roundabout scheme). Subject to the grant of planning permission and securing all third party land required to implement the proposals, it is intended to start main works on site in 2017. A further funding agreement will be required for this scheme. A summary profile of this scheme is included in Appendix C.

Stubbington Bypass

The scheme involves constructing a new bypass between Gosport Road and the Titchfield Road with associated improvements to Titchfield Road up to and including the A27 Titchfield Gyratory, and improvements to Gosport Road up to Peel Common roundabout. A planning application was submitted at the end of July for the new road. Preliminary discussions with third party landowners have been held in order to provide information on the scheme design. Detailed design work is progressing and could be completed during 2016/17 subject to funding being secured. £30-35m will be required to deliver the scheme and a full business case is currently being prepared to ensure that when the opportunity to bid for LGD funding arises that work is sufficiently advanced to make the best case for the scheme. It is anticipated that an element of County Council funding will be required towards scheme delivery. £2m was identified in the previously unsuccessful bid to the Solent LEP for LGD2 funding. A review of available funding will be required as and when bid opportunities arise. A summary profile of this scheme is included in Appendix C.

Welborne

- 5.18. Fareham Borough Council adopted the Welborne Plan early this year and it is understood that the landowners are now preparing to make a planning application for the development and its associated infrastructure.
- 5.19. LGD1 included £14.9m towards upgrading M27 Junction 10 to an 'all moves' junction, and the Department for Transport have now advised the Solent LEP that Ministers have agreed a portfolio of Large Transport Projects known as 'Retained Schemes' which includes Junction 10. Discussions are on-going about the promotion and timing of this scheme. The County Council has managed the scheme development in its role as the Local Highway Authority.

Whiteley Way

- 5.20. LGD1 included £14million for this scheme (including £3.7million in 2015/16). This scheme will see the construction of two new roads between Whiteley Way (R3) and the A3051 Botley Road at Kens Way and north of Curbridge. This is being promoted by others but the County Council has supported the Full Business Case which was approved by the Solent LEP earlier this year. A planning application for the new roads and wider development was

submitted earlier this year and is expected to be determined by Winchester City Council on 10th September. The County Council is the Highway Authority for this scheme and any new or improved roads will be completed with appropriate legal agreements with the promoters.

Public Exhibitions June 2015

5.21. A series of public exhibitions were held in June 2015 regarding the proposed improvement schemes at the;

A27 St Margaret's roundabout;

A27 Segensworth to Titchfield; and

A27 Bishopsfield Road to Station roundabout.

5.22. The public exhibitions were held on the 15th and 29th of June at the Fareham College, and on the 16th and 25th June at the Titchfield Community Centre. These were well attended with a total of 360 visitors of whom 229 attendees completed and returned feedback forms, including 51 online submissions, by the closing date of 24th July.

5.23. The initial headline results from the feedback forms indicate that;

66% considered that the schemes will improve access to Fareham;

60% considered that the schemes will help to increase capacity and ease congestion on the A27; and

59% considered that the schemes will help improve safety.

5.24. Further analysis of the detailed comments provided will be undertaken and where appropriate the scheme design reviewed and amended as necessary. It is proposed that the detailed comments will be summarised and fed back through the scheme project appraisal reports in due course.

6. Other key issues

Highways England

6.1. Highways England was created in April this year and has announced plans for upgrading numerous sections of its Motorway and Trunk Road network in Hampshire, including increasing capacity of a section of the M3 and creating a free flow interchange between the A34 (T) and M3 at Junction 9. In addition, Highways England now has the ability (and is willing) to invest on road schemes within 5km of their network. Highways England's plans include a £100million investment package on roads around Southampton, a £100million scheme at Winchester around M3 Junction 9, and £12million at Ringwood on the A31(T). Officers are currently working with Highways

England and Solent Transport to help shape these schemes to secure the maximum benefit for the County Council.

- 6.2. It is also important for the County Council to invest in early major scheme study work to enable us to continue to support Highways England in its development of its RIS2 pipeline of schemes for delivery beyond 2020. The County Council previously completed a £50,000 study at M3 Junction 9 which identified options for a £100m free flow interchange. This work was passed to Highways England and it included the £100million preferred scheme within its RIS1 announcement.
- 6.3. Similar work has been undertaken and is continuing in Eastleigh to help shape solutions to the eastern approach to Southampton as part of Highways England's £100million Southampton road investment package. Potential future major schemes are under consideration around Junction 8 at Botley, Bursledon, Windhover and Hamble Lane as part of a borough-wide strategic transport study involving Highways England, Solent Transport and adjoining authorities, the work is identifying infrastructure requirements over the next 20 years and this type of upfront investment in study work is needed to ensure that the County Council can maintain its pipeline projects and continue to influence national investment decisions.

Local Growth Deal 3

- 6.4. The extent of central government departmental budget reductions will become clearer in the autumn, and this will influence the scale and availability of any further rounds of LGDs. Both LEPs in Hampshire have indicated that they will be inviting Expressions of Interest from public and private sector partners later this year.

7. Future direction

- 7.1. As well as working with Highways England to develop schemes along and feeding the Strategic Road Network, the County Council's current year's programme of major scheme development includes finalising the planning permission for Stubbington Bypass and Newgate Lane South and completing major studies in Basingstoke, Eastleigh and Farnborough with a view to identifying the next tranche of major transport schemes suitable for capital investment beyond 2020. It is also intended to investigate the case for future work at Marchwood, as well as potentially updating the evidence base for work that has already begun, investigating the case for a potential new road scheme to the west of Alton.

8. Recommendations

- 8.1. That authority be given for the continued development of the 2016/17 and 2017/18 LEP funded major schemes through the appropriate Business Case and Design processes.

- 8.2. That the County Council's capital allocations to the major schemes of the two Local Enterprise Partnerships (LEPs) be increased to a sum of £14.1m for the Enterprise M3 LEP (EM3) and £9.048m for the Solent LEP, to be drawn from existing resources.
- 8.3. That the commencement of advanced works be approved for the 2016/17 major schemes at the A33 Crockford roundabout, Binfields roundabout, and the A30 Winchester Road junction all in Basingstoke, and for the A27 Gudge Heath Lane and Station junctions and the A27 Segensworth to Titchfield widening all in Fareham.
- 8.4. That authority be given to develop and bid for major transport schemes for implementation beyond 2018.

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

Hampshire safer and more secure for all:	yes
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u> Executive Member for Economy Transport and Environment - Local Enterprise Partnerships Transport Funding for Major Schemes Update	<u>Reference</u> 6197	<u>Date</u> 4 November 2014
Direct links to specific legislation or Government Directives		
<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. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

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 'Develop Hampshire's highway network and transport systems'.

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. Individual schemes will be subject to their own specific equalities impact assessment as part of the project appraisal process.

2. Impact on Crime and Disorder:

2.1. The proposed major schemes will have a positive impact on crime and disorder. New transport infrastructure schemes will look to improve levels of personal security through good standards of design. For example, improved street lighting, and ensuring pedestrian improvements such as new crossing

provision, incorporates good levels of natural surveillance to reduce the risk of crime.

3. Climate Change:

- 3.1. How does what is being proposed impact on our carbon footprint / energy consumption?

Providing additional capacity at congested road junctions and roundabouts will reduce delays and will help to improve the flow of traffic, helping to reduce carbon emissions from both buses and private cars.

The planned capacity improvements at the most congested junctions on the County Council's highway network will improve the reliability of journey times by bus, by reducing congestion and queues at peak times at these locations. Improving the reliability of local bus services will help to make buses a more attractive form of travel within the town and should contribute towards an increased level of bus use over time.

- 3.2. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Schemes where practicable will incorporate sustainable urban drainage systems to help reduce risks associated with flooding.