

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

<b>Decision Maker:</b>	Executive Member for Economy, Transport and Environment
<b>Date:</b>	19 January 2016
<b>Title:</b>	ETE Capital Programme 2015/16 Quarter 3 Monitoring and 2016/17 - 2018/19 Proposed Capital Programme
<b>Reference:</b>	7228
<b>Report From:</b>	Director of Economy, Transport and Environment

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## 1. Executive Summary

- 1.1. The purpose of this paper is to update the Economy, Transport and Environment (ETE) 2015/16 Capital Programme in light of amendments that have occurred during October, November and December.
- 1.2. This paper also sets out the proposed new 2016/17, 2017/18 and 2018/19 Capital Programmes, and seeks approval for submission to the Leader and Cabinet in February. Appendix 2 is the approved format for the budget book, and Appendix 3 is a simplified view with expenditure profiled.

## 2. Contextual information

- 2.1. The 2015/16 programme monitoring section focusses on budget and programme changes that have occurred during quarter three. The updated financial headlines are set out in Table 1 and the total programme value is now £80.349M.
- 2.2. The 2016/17, 2017/18 and 2018/19 programmes set out new capital resources only, with the latter two years based on indicative figures. At over £183.3M it is, once again, the largest ETE programme for many years and reflects the Department's commitment to safety, accessibility and growth now, and for the future.
- 2.3. The proposed programmes have been prepared in consultation with the Executive Member for Economy, Transport and Environment, and have been reviewed by the Economy, Transport and Environment Select Committee. They are to be reported to the Leader and Cabinet on 3 February to make final recommendation to Council on 16 February 2016.

## SECTION ONE - 2015/16 QUARTER 3 MONITORING

### 3. Summary 2015/16

- 3.1. Across the department, expenditure to 1 December reached £43.181M, an increase of £9.348M since quarter 2.
- 3.2. Budget changes this quarter amount to £64,000 mainly as a result of reprogramming the final Rowner Regeneration project payment to 2016, and the proposed transfer of Coastal Conservation budget from Policy and Resources to the Flood and Coastal Defence programme within ETE.

### 4. Resources

- 4.1. The table below reconciles the budget book with the latest budget situation for each ETE area.

**Table 1: Budget Adjustments (Headlines)**

	SM	ITP	ED	PRIP	F&CD	WASTE	R,NER	PT	Cap R'cpts	TOTAL
Q3	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Budget Book	38,824	27,879	31	750						67,484
Carry Fwds	4,485	477	323				750		57	6,092
Q1 update		922	8,740					19	83	9,764
Q2 update	-2,000	-995			80				-140	-3,055
Q3 update		-30			844		-750			64
Adjusted Budget	41,309	28,253	9,094	750	924	0	0	19	0	80,349

A glossary of terms is provided in Appendix 4

### 5. Structural Maintenance

- 5.1. Continued good progress has been made over the last few months and a full spend is expected at the end of the year. There is some potential for a slow-down within the drainage improvement programme over the winter as poor weather may delay works or the more complex schemes unearth problems once work on site begins. A few highlights are set out below:

The entire resurfacing programme (£10.1M) is now complete.

£1.7M of the footway programme (£2.2M) is now complete, with a further £0.5M programmed and the remainder committed.

£1.8M of the drainage improvement programme (£2.7M) has been completed, with the remainder programmed to be completed before the end of March 2016.

Local depot maintenance programmes (£4.7M) are still ahead of spend profile for the period and therefore remain under pressure to keep within allocations.

## 6. Integrated Transport

- 6.1. Delivery and forecasts have remained steady this quarter with only a few exceptions, which are reported below.
- 6.2. The A343 Newbury Road/Smannel Road Crossing and Accessibility Improvements project has been brought forward from 2016/17 at £0.117M, as it is now programmed to start on site in January.
- 6.3. Five schemes, totalling £1.078M, are to be reprogrammed for a 2016/17 start as they are now unlikely to start before 31 March owing to, in one case, ongoing land negotiations, and in another awaited design approval from Network Rail. The other three have slipped by a few weeks overall, and should start in April.
- 6.4. A few minor budget amendments have been approved in recent months via the Director's delegated authority. These have been included in Appendix 1.
- 6.5. As reported in the previous update, all five of this year's major schemes are now on site and underway. The 15/16 spend forecast for all majors, including those started in previous years, is now £27M, up from £25M last quarter, mainly as a result of the latest Queens Roundabout project estimate.

### *Queens Roundabout, Farnborough*

- 6.6. As highlighted in the previous monitoring report, the 2014/15 major scheme at Queens Roundabout in Farnborough has experienced some significant delays as a result of impediments relating to diversion of underground services, many of which were uncharted. The constrained nature of the site coupled with the need to maintain significant traffic flows through the junction has made the project challenging. A full review of the financial implications, residual risks and latest forecast has now been undertaken, revising the total scheme estimate from £5.725M (Project Appraisal November 2013) to £7.4M. This increase will not impact on the approved revenue maintenance costs but the capital charges will rise from the £356k (0.232%) on the construction cost of £5.725m to £460k (0.300%) based on the £7.4m estimate.
- 6.7. The Queens Roundabout project still represents value for money in terms of the capacity benefits it will provide. The planned capacity improvements are necessary to accommodate future traffic growth including that of planned development. Despite the on-going practical challenges relating to the diversion of underground services resulting in a significant cost increase, the recommendation is to increase funding levels to deliver the capacity benefits associated with the original scheme approved by the DfT as part of the Pinch Point Fund approvals. The project will address significant congestion, particularly in the morning and evening peak periods, contributing to the effective operation and performance of the road network of which this is one of the main junctions.
- 6.8. Options to avoid the increase of £1.675m for the full scheme include reducing the number of lanes on the entries and exit from the roundabout. However,

given that the majority of the expensive piling and service diversion work has already been carried out, and when reinstatement costs are factored in, the projected cost would still exceed the original £5.725m budget and the capacity related benefits would be seriously diminished. This would mean that the Council would not meet the terms of the Pinch Point Fund which may have implications on the £4.034m DfT grant. This option is therefore rejected. The 'do nothing' option has also been rejected because the current temporary road layout during construction relies on temporary traffic management to ensure safe operation and clearly this arrangement is not sustainable in the longer term.

- 6.9. Despite the projected increase, significant value engineering has already been carried out to control costs. Nevertheless the scheme has not been compromised and will still provide traffic signal control on all four approach roads to the roundabout, widening of the approach roads and circulating carriageway, and provision of pedestrian and cycle facilities. The capacity improvements have not been diminished enabling the scheme to meet its original objectives to facilitate access to jobs and support local economic growth. The value engineering work will continue through to project completion in late spring 2016.
- 6.10. Funding to cover this additional expenditure has been identified entirely from within existing Transport Programme resources, namely; £0.809M extra developer contributions and £0.866M LTP from contingencies within the Transport Programme. It is therefore recommended that the 2014/15 budget for this scheme be amended to £7.4M.

## **7. Economic Development**

- 7.1. The Daedalus Drive works package, worth £7.09M, commenced on 30 November for the construction of a new spine road to the north of the Waterfront including investment in new foul and power services.
- 7.2. The Daedalus East infrastructure works are progressing well and due for completion in February 2016. The appointed contractor for the £2M new building will commence construction of a 25,000 square foot industrial unit in January 2016.

## **8. Public Realm Improvements**

- 8.1 This programme comprises 8 projects, all of which are financial contributions to other parts of the capital programme, in order to encourage enhanced design and material specifications. In total, these schemes amount to around £9.3M (which are accounted for elsewhere in the programme). £1.5M is from the Public Realm Fund (£0.750M 2014/15 and £0.750M 2015/16).
- 8.2 Implementation of the first phase of works for Romsey Town Centre is substantially complete and other schemes are being developed, although one of the two parish councils selected for inclusion in the Quiet (Shared) Lanes Pilot has withdrawn.

- 8.3 Expenditure forecast has reduced slightly to £0.1M this year. As reported previously, the majority of the fund will be spent in 2016.

## **9 Flood and Coastal Defence**

- 9.1 The Flood and Coastal Defence programme provides local resources to cover liabilities which are the responsibility of the County Council, and to lever capital match funding for Environment Agency (EA) Grant in Aid (FDGiA) schemes and minor flood defence.
- 9.2 Aligned to this programme, the County Council also develops programmes and procures works relating to its coastal conservation activities. Although flood and coastal erosion risk management comes under the portfolio of the Executive Member for Economy, Transport and Environment, the Coastal Conservation capital budget is currently part of the Policy and Resources capital programme. Therefore, in order to align the budget with the Executive Member for Economy, Transport and Environment's responsibilities in this regard, it is now proposed that the Coastal Conservation budget, including balances brought forward from previous years, be transferred to the Economy, Transport and Environment capital programme.
- 9.3 The current coastal conservation balance is £0.844M, and is recommended to be transferred on a "Starts" basis so that budget management and reporting can be done as one with the existing Flood and Coastal Defence programme, which is a "Starts" programme.
- 9.4 Including the proposed transfer above, the budget in full now amounts to £9.235M, funded from a mix of local resources and Grants from prior years' programmes.
- 9.5 The second phase of the Hambledon Flood Alleviation Scheme is progressing well. However, there is a high level of risk involved in working on this type of infrastructure project and some of those risks associated with the coordination of works with utility companies have been realised. Work is also progressing on the development of future flood risk reduction measures, and proposals to secure national funding at a number of priority locations across the county including Bourne Valley, Buckskin, Candovers, Farnborough, Romsey, Totton and Winchester.
- 9.6 It is worth noting that the national process by which Flood Defence Grant in Aid is considered means schemes designed to protect larger numbers of properties and/or in areas of greater deprivation score more highly and therefore tend to require proportionately less match funding to qualify for grant aid. For schemes in Hampshire, where flooding often affects dispersed rural communities this means match funding levels need to be correspondingly higher. Preliminary indications suggests that the level of local match funding required for some schemes to qualify for grant support could be in the region of 60% or more of the total scheme value. For larger flood alleviation schemes this could require sums in excess of £1m in local match funding for the scheme to attract Flood Defence Grant in Aid.

- 9.7 Expenditure this year is expected to be £2.518M, a slight reduction on the £2.791M reported last time.

## **10 Waste Management**

- 10.1 Historic resources carried forward to 2015/16 are £2.859M for the Household Waste Recycling Centres (HWRC) programme, and £0.238M for closed landfill sites. There are no new resources this year, so Table 1 remains at zero.
- 10.2 The efficiencies review of overall HWRC service provision is ongoing, continuing into 2016-17 alongside the new management contract for the HWRCs due to begin 1 April 2016
- 10.3 Within the closed landfill sites programme, sewer works at Newnham closed landfill is ongoing at an estimated £30,000. Completion of the work is expected in January.
- 10.4 In relation to the 3 year forward programme set out in the second part of this paper, the outcomes of the HWRC service provision review are linked to the County Council's ongoing programme of savings which will determine capital spending requirements for the future. At present the forward programme does not include a programme for HWRCs.

## **11 Rowner Regeneration**

- 11.1 The County Council is a partner in this urban renewal scheme in Gosport. Under a consortium Agreement of 2007, the County Council's current financial commitment in support of the project is two capital grants, each of £0.750M, the first of which was paid in 2011.
- 11.2 The final payment is subject to a number of conditions being met, and as flagged in the last update, it is now clear that payment will not be made until the new year. It is therefore recommended that the funding be carried forward to 2016/17.

## **SECTION TWO – 2016 TO 2019 PROPOSED CAPITAL PROGRAMME**

### **12 Summary**

12.1 This section presents the projects which it is proposed to include in the Capital Programmes for 2016/17, 2017/18 and 2018/19, with the latter two years being provisional.

12.2 Proposals amount to over £183.3M over the next three years, slightly less than the programme presented last year, reflecting the end of the current Operation Resilience funding (£12M per year) and Members Highway Fund (£0.780M per year) from 2017.

12.3 Government grants make up the bulk of the funding, with formula settlements and project specific grants (LGF through the LEPs) adding up to £143.2M. The remainder is a mix of local resources (£21.5M), developer contributions (£16.5M), and other local authority contributions (£1.9M).

12.4 Appendix 2 provides an overall programme summary and sets out new capital resource for the following areas:

- Structural Maintenance and bridges;
- Integrated Transport, including Member Highway Fund;
- Flood and Coastal Defence Management;
- Economic Development.

12.5 Executive Members can now prepare proposals for:

- (i) A locally resourced capital programme for three years from 2016/17 to 2018/19 within the guidelines of the current capital programme.
- (ii) A programme of capital schemes supported by Government Grants in 2016/17, 2017/18 and 2018/19.

## PART A: RESOURCES

### 13 Local Resources

- 13.1 Local Resources guidelines were agreed by Cabinet on 7 December amounting to £16.519M over the next 3 years.
- 13.2 For completeness, Table 2 shows the agreed figures, plus additions and carry forwards.
- 13.3 Total local resources will therefore be £21.587M for this plan period.

**Table 2 : Local Resources**

	2016/17 £000	2017/18 £000	2018/19 £000
Capital Guideline	2,634	1,854	1,854
Structural Maintenance (Resilience)	10,177		
<b>Approved Capital Guidelines</b>	<b>12,811</b>	<b>1,854</b>	<b>1,854</b>
<b>Additions and Carry Forwards</b>			
Whitehill Bordon	2,000		
Coastal Conservation (Transfer from P&R)	106	106	106
Carry forward (Holmsley Bridge)	2,000		
Carry forward (Rowner)	750		
<b>Adjusted Local Resources</b>	<b>17,667</b>	<b>1,960</b>	<b>1,960</b>

### 14 Government Formula Allocations

- 14.1 The Department for Transport (DfT) confirmed the Integrated Transport Block (ITB) and Structural Maintenance allocations for 2016/17 and 2017/18 in 2014, which included indicative figures for a further three years.
- 14.2 The DfT advised last year that both Integrated Transport Programme and Maintenance allocations for 2018/19 to 2020/21 will be subject to review and will refresh allocations in 2017 after which time they will be able to confirm allocations for 2018 and beyond.
- 14.3 In total, over this 3 year period Hampshire will receive £85.9M Government Grant from these formulae.

### 15 Government Local Growth Fund

- 15.1 The County Council has continued its successful bidding history this year for Economy, Transport and Environment projects by securing additional Local Growth Fund for Major Transport improvements. There are ten new major schemes valued at over £80M included in this 3 year programme (subject to final approval), £61.7M of which is Local Growth Fund.
- 15.2 A further opportunity to bid for a third round of Local Growth Fund is now complete. Expressions of Interest were submitted for eight projects across both

LEP areas. Responses are expected early in the New Year. Until then, they have been excluded from the proposed programme.

- 15.3 As reported in the LEP Funded Major Scheme Update paper of September 2015, for multi-year projects (i.e. schemes that start in one year and finish in another) it will be necessary to have multi-year funding agreements instead of annual agreements that have been arranged thus far. Until recently the LEPs had no confirmed future funding and were reluctant to underwrite multi-year schemes. In the Autumn Statement the Government announced that they could now "...confirm the indicative Local Growth Fund allocations that were made through Growth Deals, and that Local Enterprise Partnerships will continue to receive core funding", which should mean that multi-year agreements are now possible with both LEPs. This will provide the County Council with the financial assurances needed to progress these projects through to delivery. However, at present the County Council's ability to deliver multi-year projects in the area covered by the Solent LEP remains constrained by funding agreements limited to one year.
- 15.4 It is important to recognise that these substantial capital grants 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 the County Council is to maintain its current level of success.
- 15.5 A further financial consideration is related to Part1 and Part2 of the Land Compensation Act 1973, under which compensation can be claimed in specific circumstances relating to road improvements for a period of 7 years after the scheme is completed. With the increase in the number of major road improvements being delivered through this fund, the potential for the number and value of claims is also increasing. It is important to note that Local Growth Fund grants are entirely capital and cannot cover Part1 or Part2 claims. Work to estimate the level and likelihood of financial risk is underway in order to determine the impact on the Corporate Insurance Fund.

## **16 Developer Contributions and other external funding**

- 16.1 The Department receives contributions from developers towards the cost of highway and transport infrastructure associated with mitigating the effects of developments. These contributions are ring fenced to be spent only on what is in the associated Section 106 Legal Agreement. This means that sometimes contributions are held until appropriate schemes have been developed and programmed.
- 16.2 The 2016-19 programme includes a conservative £16.5M of funding from developer contributions. There are many more projects currently at feasibility or early development stages which may come forward during the year – some may be implemented during 2016, but most will be proposals for a future year delivery.
- 16.3 In relation to CIL regulations, it is clear that Hampshire local authorities expect to see a reduction in developer funding going forward. The majority of

contributions still being received are as a result of developments that have already gone through planning under the Section 106 process.

- 16.4 Other external funding regularly includes contributions from District Councils. This plan includes a confirmed £1.974M, of which £1.6M is from Basingstoke and Deane Borough Council towards the LGF Major Schemes on the South West (A30/A340) and A33 Corridors to Growth.

## 17 Total Resources

- 17.1 The table below is a breakdown of the new capital resources for this programme period. It illustrates an ongoing reduction in resources which, in part, highlights the end of the Operation Resilience funding from 2017, and the exclusion of further Local Growth Fund. As mentioned in paragraph 15.2, eight Local Growth Fund expressions of interest have been submitted to the LEPs which, if successful, will result in additional Local Growth Fund being added.

**Table 3: Total Capital Resources**

	2016/17 £000	2017/18 £000	2018/19 £000	TOTAL £000
Local Resources	17,667	1,960	1,960	21,587
LTP Grant – Maintenance	24,591	23,847	21,584	70,022
LTP Grant – Transport	5,296	5,296	5,296	15,888
LGF Grant – Transport	37,573	24,060	140	61,773
Developer Contributions	8,729	7,228	610	16,567
Other Local Authority	1,374	600	0	1,974
<b>Total Resources</b>	<b>95,230</b>	<b>62,991</b>	<b>29,590</b>	<b>187,811</b>

- 17.2 The maintenance programme is a 'spend' based programme, and therefore all resources should be used within the year of allocation.
- 17.3 The Local Growth Fund Grant is also being considered a time-limited resource, with no opportunity for carry-forward beyond the year of receipt. The reduction in Local Growth Fund in 2018/19 reflects LEP funding arrangements with the Government and is expected to increase as the LEPs' individual funding arrangements are confirmed and subsequent programmes approved.
- 17.4 The rest of the Economy, Transport and Environment Department's capital resources are mainly 'starts' based, and therefore not all resources are likely to be used in the year they are awarded: the County Council carries the funding forward into future years to match forecast expenditure on those programmes. This will explain the difference between the total capital resources in the above table, and the size of the capital programme in table 8 and Appendix 2.

## PART B: PROGRAMMES

### 18 Structural Maintenance and Bridges Programme

18.1 The reduction of local resources from 2017/18 reflects the end of the Operation Resilience funding that was added to the programme and then supplemented with New Homes Bonus money as part of the 2014/15 budget setting process. A review of this funding position is proposed in light of various emerging issues such as the re-letting of the Highways Maintenance contract and the Devolution bid.

**Table 4: Total Programme – Maintenance and Bridges**

	2016/17 £000	2017/18 £000	2018/19 £000	TOTAL £000
Local Resources	14,000*	1,823	1,823	17,646
LTP Grant – Maintenance	24,591	23,847	21,584	70,022
<b>Total Resources</b>	<b>38,591</b>	<b>25,670</b>	<b>23,407</b>	<b>87,668</b>

\*2016/17 local resources figure includes agreed £2M carry forward for Holmsley Bridge.

### 19 Integrated Transport

19.1 This three year programme is of a similar value to last year. The 2017/18 and 2018/19 programmes are indicative at this time, and it is expected, particularly for 2018/19, that additional schemes will come forward as the year progresses.

**Table 5: Total Programme – Integrated Transport**

	2016/17 £000	2017/18 £000	2018/19 £000	TOTAL £000
Local Resources	2,780	0	0	2,780
LTP Grant – Transport	7,149	2,559	1,750	11,458
LGF Grant – Transport	37,573	24,060	140	61,773
Developer Contributions	8,729	7,228	610	16,567
Other Local Authority	1,374	600	0	1,974
<b>Total Resources</b>	<b>57,605</b>	<b>34,447</b>	<b>2,500</b>	<b>94,552</b>

19.2 The funding for the Whitehill Bordon Relief Road scheme includes £2M originally included in the £7M Strategic Infrastructure Investment allocation approved by Cabinet in February 2014 to provide for contributions to infrastructure requirements at strategic developments such as Whitehill Bordon and Welborne. The Capital Programme Review approved by Cabinet in July

2014 reviewed existing capital funding against new and existing priorities and resulted in changes to departmental capital allocations. However the £2M was not formally re-assigned to the ETE capital programme at this stage. Formal approval is therefore now sought from Cabinet to approve the allocation of this £2M funding to the 2016/17 ETE Capital Programme.

- 19.3 It also includes the final £0.780M for the Members Highway Fund for minor schemes, which was a four-year funding allocation. There is no agreed provision for further local resources, although a notional figure funded by developer contributions has been included in the programme as an expectation of minor improvements that are likely to come forward in future years.
- 19.4 This programme supports an increase to the Safety Programme, from £3.9M to £4.5M. At a time of shrinking budgets this reflects the Department’s commitment to prioritising casualty reduction and road safety.
- 19.5 Because of the high value and number of major transport schemes in this 3-year programme, together with the inflexibility of the Local Growth Fund and the difficulties that brings, there is a growing need to ensure the Department holds adequate contingencies. Even a small percentage increase in the overall cost of these projects will require significant additional funding. To mitigate this risk, the full £15.888M LTP available (Table 3) has not been programmed (Table 5); the balance being held back in case of need.

## 20 Flood and Coastal Defence Management

- 20.1 As set out in section 9 of this paper, it is recommended that the Flood and Coastal Defence programme now includes the annual budget for Coastal Conservation, transferred from Policy and Resources.

**Table 6: Total Programme – Flood and Coastal Defence Management**

	2016/17 £000	2017/18 £000	2018/19 £000	TOTAL £000
Local Resources	106	106	106	318
<b>Total Resources</b>	<b>106</b>	<b>106</b>	<b>106</b>	<b>318</b>

## 21 Economic Development

- 21.1 Economic Development priorities continue to focus on its regeneration and development activities, and on transformational projects which have the potential to have a significant impact on the local economy.

**Table 7: Total Programme – Economic Development**

	2016/17 £000	2017/18 £000	2018/19 £000	TOTAL £000
Local Resources	31	31	31	93
Total Resources	<b>31</b>	<b>31</b>	<b>31</b>	<b>93</b>

**22 Rowner Regeneration Project**

22.1 As set out in section 11 of this report, £0.750M of local resources is recommended to be carried forward to the 2016/17 capital programme. The local resources (table 2) and total resources (table 3) include this figure.

**Table 8: Total Programme – Rowner Regeneration**

	2016/17 £000	2017/18 £000	2018/19 £000	TOTAL £000
Local Resources	750	0	0	750
Total Resources	<b>750</b>	<b>0</b>	<b>0</b>	<b>750</b>

**PART C: 2016 – 2019 SUMMARY****23 Summary**

23.1 On the basis of the position outlined in sections 18 to 22 above, Table 9 summarises the proposed new capital investment submitted for consideration for the next three years. Table 10 sets out how they are to be funded in aggregate.

**Table 9: Summary of Capital Programmes**

	2016/17 £000	2017/18 £000	2018/19 £000	TOTAL £000
Structural Maintenance	38,591	25,670	23,407	87,668
Integrated Transport	57,605	34,447	2,500	94,552
Flood and Coastal Defence	106	106	106	318
Economic Development	31	31	31	93
Rowner	750	0	0	750
<b>Total Programme</b>	<b>97,083</b>	<b>60,254</b>	<b>26,044</b>	<b>183,381</b>

Figures include carried forward resources which explains the difference between total new resources (table 3) and the size of the programmes above.

**Table 10: Summary of Capital Funding**

	2016/17 £000	2017/18 £000	2018/19 £000	TOTAL £000
Local Resources – c/fwd	2,750	0	0	2,750
Local Resources	14,917	1,960	1,960	18,837
LTP Grant	31,740	26,406	23,334	81,480
LGF Grant	37,573	24,060	140	61,773
Developer Contributions	8,729	7,228	610	16,567
Other Local Authority	1,374	600	0	1,974
<b>Total Funding</b>	<b>97,083</b>	<b>60,254</b>	<b>26,044</b>	<b>183,381</b>

## 24 Revenue Implications

24.1 On the basis of the position outlined in sections 18 to 22 above, Table 11 summarises the proposed new capital investment submitted for Revenue Implications

**Table 11: Revenue Implications**

	2016/17 £000	2017/18 £000	2018/19 £000	TOTAL £000
Current Expenditure	806	482	35	1,323
Revenue charges	2,405	1,595	817	4,817
<b>Revenue Implications</b>	<b>3,211</b>	<b>2,077</b>	<b>852</b>	<b>6,140</b>

## **25 Recommendations**

- 25.1 That amendments to the 2015/16 Economy, Transport and Environment Department's capital programme be approved.
- 25.2 That it be recommended to the Leader and Cabinet that the capital budget for the 2014/15 Programme scheme at Queens Roundabout in Farnborough be amended to £7.4M, and the increase of £1.675M be funded by £0.809M developer contributions and £0.866M Local Transport Plan Grant.
- 25.2 That it be recommended to the Leader and Cabinet that £2M of funding included in the Strategic Infrastructure Investment allocation approved in February 2014 be allocated to the 2016/17 Economy, Transport and Environment capital programme to support the delivery of the Whitehill Bordon Relief Road.
- 25.3 That the Coastal Conservation capital budget, including balances brought forward from previous years and currently part of the Policy and Resources capital programme, be transferred on a permanent Starts basis to the Executive Member for Economy, Transport and Environment, in order to better align with the activities incorporated within the Executive Functions of that portfolio, and that the budget be consolidated within the existing Flood and Coastal Defence programme.
- 25.4 That £0.750M of local resource be carried forward to 2016/17 in relation to Rowner Renewal Project.
- 25.5 That the proposed 2016/17, 2017/18 and 2018/19 capital programmes, as set out in this paper and in Appendix 2, be approved for submission to the Leader and Cabinet.

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

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

**Other Significant Links**

<b>Links to previous Member decisions:</b>		
<u>Title</u> 2015/16 Quarter 2 Capital Programme Update=	<u>Reference</u> 7104	<u>Date</u> 26 November 2015
<u>proposed 2015-18 capital programme=</u>	6391	20 January 2015
<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. 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:**

This is a financial report to reflect the 3<sup>rd</sup> quarter changes to budgets, and to present the proposed new budgets for the next 3-year capital programme. Amendments to individual schemes within each programme will have been made following consultation and will have their own project appraisals (if over £50,000). The decisions in this report are financial and for in-house management of accounts.

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

- 2.1 The proposals in this report are not considered to have any direct impact on the prevention of crime.

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

- 3.1 How does what is being proposed impact on our carbon footprint / energy consumption? – no specific proposals.
- 3.2 How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts? – no specific proposals.

APPENDIX 1

DISTRICT	TITLE	OPENING ITP PROG	Adjusted Q1 Budget	Adjusted Q2 Budget	Deferral / Reprofiting	New Additions	Variation +/- to existing allocation	Adjusted Q3 Budget	
		£000	£000	£000	£000	£000	£000	£000	
GBC	B3333 South Street / Dock Road Junction Improvement, Gosport	243	242	242				242	
GBC	Privett Road / Anns Hill Road Junction Improvement, Gosport	250	250	250			40	290	
TVBC	A338 Salisbury Road/Watery Lane, Junction Improvement, Shipton Bellinger	322	322	322				322	
BDBC	A340 Park Prewett Dualling: The Lodge Junction, Basingstoke	4,013	4,000	4,000				4,000	
BDBC	A33 Corridor: A339/A33 Ringway and A33/Popley Way Junctions, Basingstoke	1,800	1,950	1,950				1,950	
EHDC	Whitehill & Bordon Relief Road - Phase I. Louisburg section.	5,450	5,450	5,450			1,050	6,500	
FBC	B3385/B3354 Peel Common Roundabout, Fareham	3,250	3,250	3,250				3,250	
FBC	St. Margarets Roundabout, Fareham	4,600	4,600	4,600				4,600	
CW	Minor Traffic Management	480	495	495				495	
CW	Local Highways & Transport Programme (MinorWorks)	1,280	1,485	1,485			125	1,610	
CW	Major Scheme Bid Preparation, Development and Delivery	1,000	1,000	-				-	
CW	Casualty Reduction Programme	1,290	1,752	1,752				1,752	
BDBC	Burchlere Pedestrian Improvements, Basingstoke	95	95	101				101	
HBC	Hermitage Stream Footpath, Havant	167	167	166				166	
TVBC	Grateley Footway Improvements, Andover	62	62	62				62	
BDBC	EM3STF-Popley to Chineham District Centre Ped & Cycle Imps, Basingstoke	350	350	350				350	
BDBC	EM3STF-Ringway North / Rooksdown Accessibility Improvements, Basingstoke	200	200	200			7	207	
BDBC	EM3STF-Western Way Pedestrian Crossing Upgrade, Basingstoke	200	200	200				200	
C/W	EM3STF-Passenger Transport Improvements	723	723	723				723	
HDC	EM3STF-Fleet Station Accessibility and Toucan Crossing (FTAP) (PC16)	185	185	185				185	
HDC	Church Crookham Gateways and Speed Management	135	135	135			-25	110	
EBC	Hound Road Toucan Crossing, Netley	0	91	91				91	
HBC	Warblington School Cycle Path	0	245	245				245	
BDBC	Highclere Footway	0	101	101				101	
EHDC	Whitehill & Bordon Eco-town Cycling Accessibility	0	230	230			-138	92	
FBC	Solent Enterprise Zone (Daedalus) - offsite Signage	0	250	250			-140	110	
EHDC	White Dirt Lane, Catherington, Clanfield	0	100	100				100	
EHDC	Alton Town Centre - 20mph Extension	0	210	210			12	222	
CW	SWT Cycle Rail Projects	0	61	61				61	
TVBC	Andover: A343 Newbury Rd/Smannell Rd Xing & Access Imps	-	-	-		117		117	
TVBC	Abbotswood: Highwood Ln/Halterworth Ln Junction Imp & Traffic Calming, Romsey	70	-	-				-	
BDBC	Popley Area Improvements - Abbey Road/Shakespear Road Improvements, Basingstoke	300	-	-				-	
NFDC	Avenue Rd/Manor Rd/Station Rd Junction Improvement, New Milton	154	-	-				-	
EHDC	Green Lane, Clanfield Traffic Calming	260	-	-				-	
TVBC	Over Wallop Village Traffic Management	185	-	-				-	
TVBC	Romsey Rail Station Improvements	147	149	149	-	149		-	
FBC	Hoeford Road Toucan Crossing, Fareham	114	114	114	-	114		-	
BDBC	EM3STF-Merton School Accessibility, Popley, Basingstoke	350	350	350	-	350		-	
WCC	EM3STF-Westgate/Western Gate Campus Improvements, Winchester	205	205	205	-	205		-	
HBC	Emsworth Cycling and Crossing Imps (Ph 3 Emsworth package)	0	260	260	-	-260		-	
								-	
<b>Total</b>		<b>27,879</b>	<b>29,278</b>	<b>28,283</b>	<b>-</b>	<b>1,078</b>	<b>117</b>	<b>931</b>	<b>28,253</b>