

STRATEGIC ECONOMIC PLAN INVESTMENTS – INITIAL EXPRESSIONS OF INTEREST

INFRASTRUCTURE FUNDING

Lead organisation for the proposed investment	<p>Hampshire County Council</p> <p>Project lead – Tim Wall, Team Leader - Strategic Transport (tim.wall@hants.gov.uk / 01962 846877)</p>
Project title and location	<p>Whitehill & Bordon Relief Road and A325 Integration Works</p> <p>The works package will be delivered within Whitehill & Bordon</p>
Description of the project	<p>This project delivers a Relief Road for Whitehill & Bordon and a series of complimentary measures to the A325 to enable strategic growth, address congestion and promote community integration.</p> <p>The Relief Road would be a 4km single carriageway road, routing from the north of Bordon, through the MoD Garrison area along an abandoned railway corridor, reconnecting with the A325 to the south in Whitehill.</p> <p>The Relief Road is critical infrastructure needed to facilitate the strategic regeneration of Whitehill & Bordon to deliver significant new housing (4,000 dwellings) as well as large scale commercial and retail development that will support approximately 5,500 new jobs.</p> <p>The need for the Relief Road is identified in the EHDC Whitehill & Bordon Development Framework Masterplan (adopted May 2012), the Hampshire County Council Emerging Transport Strategy (adopted September 2011) and within the draft EHDC/ SDNPA Core Strategy (awaiting adoption in March 2014).</p> <p>Currently the A325 though Whitehill & Bordon suffers from peak period congestion which results in delay and uncertain journey times, and encourages strategic traffic onto local roads. The dominance and weight of traffic creates negative issues for the existing town, increasing air quality and pollution issues, and preventing easy and attractive movement of people within the town centre. The development land itself (principally on the MoD Garrison area) is not currently well connected to the local highway network.</p>

The delivery of the Relief Road would address these issues and is integral to the regeneration aspirations of the town. The road will serve a number of roles;

- Provide direct access to major new development areas
- Provide a free-flowing alternative to the A325, reducing existing congestion and delivering essential infrastructure to facilitate development
- Enable the creation of a new town centre for Whitehill & Bordon
- Reduce the severance impacts of the existing A325, enabling integration of the existing and future parts of the town.

The road would be delivered through the Land Owners Group (HCC / DIO / EHDC / HCA) and is contained to land within the control of the project partners or the public highway. On-going collaboration between these parties is delivering comprehensive planned re-development of the area.

The Relief Road is costed at £17m, and £11.5m of LEP funding is sought to deliver the works. The remainder of the funding would be provided by local contributions from Hampshire County Council and from the HCA through their successful PLIF bid.

Complimentary to the delivery of the Relief Road project is the A325 Integration Works. These works will bring forward a re-design of the existing A325 corridor to reduce its function and to direct non-local strategic traffic to the Relief Road.

The A325 Integration Works will introduce 'shared space' principles to key sections of the corridor (principally at the town and neighbourhood centres), will deliver traffic management to improve driver behaviour and provide significant urban realm improvements.

The A325 Integration works are costed at £6m and would be programmed to follow delivery of the Relief Road. A local contribution through Section 106 agreements from early development plots is expected to deliver £1.5m towards the works costs. The remaining £4.5m to complete the project is sought from the LEP.

Details of partner organisations involved

Hampshire County Council (HCC) – HCC is the local highway and transport authority and has been leading on transport matters within the project. HCC is a project partner, a member of the Land Owners Group and the Strategy Board and has adopted the Emerging Transport Strategy (September 2011) which identifies the key infrastructure outlined in this funding proposal. HCC has been leading work to develop the Relief Road project and has carried out feasibility work for the A325 Integration works. HCC has committed to make a capital contribution of £2m towards the delivery of the project.

East Hampshire District Council (EHDC) – EHDC is a project partner, a member of the Land Owners Group and the Strategy Board. EHDC has adopted a Masterplan for the project which identifies the necessary infrastructure identified in this proposal, and is in the process of adopting its Joint Core Strategy which provides the key planning support to the delivery of the wider regeneration. EHDC is part of the steering group for the Relief Road project.

Defence Infrastructure Organisation (DIO) – DIO is the majority land owner, a member of the Land Owners Group and the Strategy Board. DIO and the other land owners are currently developing a planning application for the main development area which will be submitted during 2014, which relies upon the delivery of the key transport infrastructure identified in this funding proposal. DIO through its consultants GVA / AMEC are part of the steering group for the Relief Road project.

Homes and Communities Agency (HCA) – The HCA is the land owner of the Louisburg Barracks site and Quebec Barracks site, a member of the Land Owners Group and the Strategy Board.

In relation to Quebec barracks, a development partner has been appointed with a planning application to be submitted in March 2014, start on site anticipated in the Autumn 2014 with first units ready for occupation winter 2015

HCA is currently developing a planning application for the Louisburg Barracks site to be submitted during 2014, a development partner appointed in December 2014, which will deliver the first phase of the Relief Road in 2015.

HCA is part of the steering group for the Relief Road project. The HCA has secured Public Land Investment Fund monies for the early delivery of the Louisburg Barracks, which includes a capital contribution for the delivery of the first phase

	<p>of the relief road. This PLIF money is fully recoverable investment (needs to be repaid to government by HCA within 4 years of drawdown). Repayment will be via the land receipt.</p>
<p>Relevant SEP Strategic Objective(s)</p>	<p>Whitehill & Bordon is identified in the draft SEP as one of the EM3 LEP's Step-up Towns. The SEP objective seeks to undertake concerted, transformational actions in those areas with high growth potential.</p> <p>The investment outlined in the funding proposal will deliver the key transport items of infrastructure required to deliver major new housing and jobs in the town, and fully accords with the SEP objectives.</p> <p>The Relief Road and associated A325 integration works will provide transformational change to the way movement is provided for within and through the town. The package of works will reduce congestion, deliver quality front-door access to the development areas, reduce existing negative effects of traffic dominance and encourage regeneration of the wider town.</p>
<p>Expected economic benefits and link to Enterprise M3 SEP targets</p>	<p>The Relief Road and A325 Integration works will contribute towards the LEP targets to;</p> <ul style="list-style-type: none"> • Grow GVA to 25% above the national average by 2020 • Create 52,000 new jobs • Create 1,400 businesses per annum. <p>The Masterplan identifies a target to deliver 5,500 new jobs, which would contribute around £238 million annually to the economy, resulting in a GVA per job of around £41,000. The Relief Road is central to the transport strategy required to support the regeneration and so contributes towards the delivery of these additional jobs and increasing GVA.</p> <p>Additionally, the construction of the Relief Road will generate temporary construction jobs, estimated at 190 temporary FTE jobs over the construction period. This will further enhance the local and regional economy. Further construction jobs will be delivered through the construction of the A325 Integration works.</p> <p>The scheme also provides relief to the congested A325 corridor, and in association with works on the A325 corridor, will improve transport conditions in the town. This will promote opportunities for further growth and investment in the town.</p>

<p>Contribution to SEP infrastructure priorities</p>	<p>The Relief road and A325 Integration works directly contribute to the SEP Infrastructure priorities.</p> <p>The works provide direct access to significant public sector land that is identified for major housing and employment development.</p> <p>The works will address existing congestion which is a constraint to business growth, which will benefit Whitehill & Bordon and also the wider area served by the A325 corridor.</p> <p>The works will compliment further transport enhancements identified in the HCC Emerging Transport Strategy and which will be delivered by the development. These include walking and cycling enhancements in the wider town, public transport improvements and behavioural change initiatives.</p>
<p>Contribution to other SEP priorities (enterprise, innovation and skills)</p>	<p>The project will help to deliver other LEP objectives, including particularly its priorities for Enterprise.</p> <p>The works will open up development land for employment and retail development which will provide opportunities for encouraging new business investment and expansion. The works will remove a key constraint on growth (i.e congestion).</p>
<p>Rationale / evidence of need</p>	<p>The Relief Road provides the fundamental and critical infrastructure to kick-start the regeneration and development of Whitehill & Bordon that will be essential to the social and economic well-being of the town when the MoD depart in late 2015. This infrastructure is identified throughout the evidence base collated for the project which includes the Masterplan, draft Core Strategy Policies and Emerging Transport Strategy.</p> <p>The Relief Road provides direct access to the development land, which will be critical in terms of generating investment and promoting development of the land, which will offer significant opportunities for new growth. To make the development attractive to investment, quality vehicular access is needed. The Relief Road delivers that.</p> <p>The scheme also provides relief to the congested A325 corridor, and in association with works on the A325 corridor, will integrate the development with the existing infrastructure and communities and improve transport conditions in the town. Cumulatively this will promote opportunities for further growth and investment (particularly at the new town centre) and will help to remove transport issues, encouraging the retention of existing businesses in the town, supporting the LEP's Strategy for Growth.</p>

	<p>Hampshire County Council has carried out assessment of a number of options for delivery of the Relief Road, and has identified its preferred route. Public consultation on the Relief Road is being conducted in Spring 2014 before planning applications are submitted later in the year. HCC has also carried out options appraisal for the A325 integration works, and has completed a Strategy for the re-design of this corridor.</p>																																									
<p>Impact of not taking forward project.</p>	<p>In the absence of the Relief Road and the A325 Integration works, the growth identified in the Masterplan and EHDC Joint Core Strategy cannot be delivered. The works deliver the direct access and network conditions necessary to deliver the regeneration of the town.</p> <p>Current viability work has identified that there is a funding gap in the project, and that to bring the development forward in a successful manner public financing is needed. Funding for critical infrastructure project such as the Relief Road and A325 Integration works is needed to make the growth plans viable.</p>																																									
<p>Funding profile and source.</p>	<table border="1"> <thead> <tr> <th data-bbox="504 1093 708 1128">Source:</th> <th data-bbox="708 1093 852 1128">2015/16</th> <th data-bbox="852 1093 995 1128">2016/17</th> <th data-bbox="995 1093 1139 1128">2017/18</th> <th data-bbox="1139 1093 1283 1128">2018-21</th> <th data-bbox="1283 1093 1417 1128">Totals</th> </tr> </thead> <tbody> <tr> <td data-bbox="504 1173 708 1240">Lead Organisation</td> <td data-bbox="708 1173 852 1240"></td> <td data-bbox="852 1173 995 1240">£1m</td> <td data-bbox="995 1173 1139 1240">£1m</td> <td data-bbox="1139 1173 1283 1240"></td> <td data-bbox="1283 1173 1417 1240">£2m</td> </tr> <tr> <td data-bbox="504 1285 708 1375">Partners: private sector</td> <td data-bbox="708 1285 852 1375"></td> <td data-bbox="852 1285 995 1375"></td> <td data-bbox="995 1285 1139 1375"></td> <td data-bbox="1139 1285 1283 1375">£1.5m</td> <td data-bbox="1283 1285 1417 1375">£1.5m</td> </tr> <tr> <td data-bbox="504 1397 708 1464">Partners: other</td> <td data-bbox="708 1397 852 1464">£3.5m</td> <td data-bbox="852 1397 995 1464"></td> <td data-bbox="995 1397 1139 1464"></td> <td data-bbox="1139 1397 1283 1464"></td> <td data-bbox="1283 1397 1417 1464">£3.5m</td> </tr> <tr> <td data-bbox="504 1509 708 1532">LGF</td> <td data-bbox="708 1509 852 1532"></td> <td data-bbox="852 1509 995 1532">£8m</td> <td data-bbox="995 1509 1139 1532">£3.5m</td> <td data-bbox="1139 1509 1283 1532">£4.5m</td> <td data-bbox="1283 1509 1417 1532">£16m</td> </tr> <tr> <td data-bbox="504 1621 708 1644">Totals</td> <td data-bbox="708 1621 852 1644">£3.5m</td> <td data-bbox="852 1621 995 1644">£9m</td> <td data-bbox="995 1621 1139 1644">£4.5m</td> <td data-bbox="1139 1621 1283 1644">£6m</td> <td data-bbox="1283 1621 1417 1644">£23m</td> </tr> </tbody> </table>						Source:	2015/16	2016/17	2017/18	2018-21	Totals	Lead Organisation		£1m	£1m		£2m	Partners: private sector				£1.5m	£1.5m	Partners: other	£3.5m				£3.5m	LGF		£8m	£3.5m	£4.5m	£16m	Totals	£3.5m	£9m	£4.5m	£6m	£23m
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<p>Further details on funding and leverage</p>	<p>Funding for the Relief Road is identified in years 2015 – 2018. Funding for the A325 Integration works is identified in 2018 – 2021.</p> <p>Funding in 2015/16 relates to delivery of Phase 1 of the Relief Road in Louisburg Barracks. This funding is delivered through the PLIF fund award to the HCA (committed funding). Some spend is expected to occur in 2014/15 in accordance with the requirements of the PLIF bid but this is shown in 2015/16.</p>																																									

	<p>Funding in 2016/17 and 2017/18 relates to the delivery of Phase 2 of the Relief Road. Local contributions from HCC are identified and allocations have been made in future capital programmes.</p> <p>Funding in 2018-21 relates to the delivery of the A325 Integration works. S106 from early sites would be used to provide a local contribution to supplement the LGF funds. The S106 funds are indicative at this stage but realistic based on the projected phasing of the wider development.</p> <p>The funds identified would be to cover the full delivery of the Relief Road works and the A325 Integration works.</p>
<p>Key milestones for implementation, monitoring and evaluation</p>	<p>Significant work has already been carried out on the Relief Road Project;</p> <ul style="list-style-type: none"> • 2011/12 - Evidence Base developed (traffic model and Transport Assessment) • 2011/2012/2013 - Strategy identifies Relief Road (HCC Transport Strategy, Masterplan, Core Strategy) • 2012/13 - Relief Road options development • January 2013 - Decision on preferred route alignment and approval to proceed to consultation • July 2013 - Secured funding for scheme development (DCLG Capacity Fund) • February 2014 - Completion of preliminary design, EIA and HRA studies <p>During Spring 2014 a public consultation exercise will be carried out. This will lead into a Decision Report to continue with the project in Summer 2014. Future milestones include;</p> <ul style="list-style-type: none"> • Public Consultation – February / March 2014 • Consultation reporting – May / June 2014 • Decision to Proceed – June / July 2014 • Planning application (Phase 2) – October / November 2014. <i>Phase 1 is included in the Louisburg Barracks development application in May 2014.</i> • Detailed Design Phase 1 – May - September 2014 • Procurement Phase 1 - September – December 2014 • Delivery of Phase 1 (Louisburg Barracks) – March 2015 • Detailed Design Phase 2 – Sept 2014 – March 2015 • Delivery of Phase 2 – 2016/17 – 2017/18 • Scheme monitoring – 2018/19 <p>In relation to the A325 Integration works, the County Council has already carried out and completed an assessment of the</p>

	<p>options. This was subject to public consultation during 2013.</p> <p>The additional milestones to deliver these works are indicated below;</p> <ul style="list-style-type: none"> • Funding approval – Autumn 2014 • Option definition and agreement – Winter 2014 • Preliminary design – Spring 2015 • Public consultation Summer 2015 • Detailed design – Autumn 2015 • Works tendering – 2017/18 • Delivery – 2018/19 • Monitoring - 2018/19 <p>HCC will manage and oversee the delivery of these projects, in close association with its partners (DIO, HCA, EHDC) and other stakeholders including local members and the Whitehill Town Council. HCC has already established a Project Board and a Project Steering Group to oversee the project development, and these arrangements would be continued.</p>
<p>Risks</p>	<p>A Risk Register has already been established to manage risks associated with the delivery of the Relief Road. This is regularly reviewed by the Project Steering Group. The main risks are outlined below;</p> <p>Securing planning consent – To deliver the Relief Road planning consent is needed and this is risk to the deliverability and programme of the scheme. On-going liaison with the relevant Local Planning Authorities (HCC, EHDC, SDNPA) in addition to the completion of significant technical work is managing this risk.</p> <p>Securing scheme funding – At present the full scheme funding for the project is not secured. Through the expression of interest to the LEP and through the future development of a Business Case for LEP grant funding, this risk is being managed.</p> <p>Cost increases – The scheme has been costed by HCC’s Engineering Consultancy and sufficient contingency has been added to the estimated costs to cover any optimism. Cost increase remains a risk however and further cost assessment will be required as more detailed design of the works is carried out. Regular cost review is managing this risk.</p> <p>Land availability – Whilst no third party land is needed, the delivery of the Phase 2 Scheme relies upon the release of main Garrison land by MoD. Should this be delayed then the</p>

	<p>scheme would be delayed. This is unlikely to occur and recent announcements by central government and the MoD have confirmed their intention to vacate Bordon by late 2015. On going liaison and involvement of the MoD is managing this risk.</p>
Links to other activity	<p>This project links directly to other activities within the Step Up Town of Whitehill & Bordon, particularly projects to deliver skills training and to provide transformational secondary educational provision. Separate EoI's are being made in relation to these projects which together form a Growth Package for Whitehill & Bordon.</p>
Links to alignment with national policy	<p>The Relief Road and A325 Integration works fully align with local and national policy and directly support the following national transport policy objectives</p> <ol style="list-style-type: none"> 1. Making roads safer 2. Managing, improving and investing in the road network 3. Supporting economic growth through local enterprise partnerships and enterprise zones 4. Reducing greenhouse gases and other emissions from transport 5. Making transport more accessible to all 6. Improving local transport
Barriers to delivery	<p>The major barriers to delivery are covered earlier within the Risks section. These are principally achieving planning consent, securing funding and ensuring that the land is available at the right time.</p>
Any other comments	<p>The EM3 LEP is now represented within the new Whitehill & Bordon governance structure (through the Strategy Board and Design and Implementation Team). This will enable close liaison with the project and involvement in the development of the growth package.</p>