

HAMPSHIRE COUNTY COUNCIL**Decision Report**

Decision Maker:	Executive Member for Environment and Transport
Date:	15 September 2016
Title:	Capital Programme Monitoring
Reference:	7739
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

- 1.1. The Economy, Transport and Environment Department's (ETE) capital programme contains a diverse array of projects including, but not limited to; highway maintenance, major congestion improvements, flood alleviation, bridge strengthening, town centre improvements, and highway safety.
- 1.2. This paper provides a short narrative summary of progress and delivery within the capital programme. There are two appendices which provide further information in more detail, if required, and they are identified when relevant throughout this paper.

2. Expenditure and Finance

- 2.1. Gross spend from 1st April to 31st July is £24.3 million. This is generally on track and puts the County Council in a good position for the rest of the year. Appendix 1 shows where expenditure is being made across ETE's programme.
- 2.2. At this time there are no plans to revise the estimated £90 million outturn for 2016/17. However, a comprehensive review of planned expenditure will be undertaken through the autumn which may change things. This review will help inform the next 3-year programme which will be submitted for approval in January 2017.
- 2.3. Earlier this year, the maintenance programme was bolstered by the award of £1.503 million Incentive grant and a £1.488 million Pot-Hole Action grant, both from the Department for Transport. The total maintenance budget for 2016 is therefore now £44.535 million (including the £4.952 million carried forward from 2015).

- 2.4. In the Cabinet report of 20 June 2016, ETE's share of 2015/16 Capital Receipts was announced, resulting in £0.145million additional capital resources.

3. Delivery

- 3.1. On transport, eight major schemes have been completed over the past few months. These have been on site for over a year in some cases, and this list represents an investment of around £30 million:

- St Margaret's Roundabout, Fareham;
- Peel Common Roundabout, Fareham/Gosport;
- ASDA Roundabout (Dunsbury Hill), Havant;
- A33 Popley Roundabout, Basingstoke;
- A33 Ringway Roundabout, Basingstoke;
- A340 Aldermaston Road, Basingstoke;
- Queens Roundabout, Farnborough; and
- Leigh Road Eastleigh.

- 3.2. Looking ahead, there are a further five major transport schemes starting this year. Excellent progress is being made on all projects which represent a significant capital investment of over £52 million for Hampshire's roads;

- A30/A340 Winchester Road Roundabout, Basingstoke (September),
- A33 Crockford and Binfields Roundabouts, Basingstoke (January 17, subject to obtaining necessary executive approval),
- A27 Gudge Heath Lane/Station Roundabout, Fareham (On site),
- A27 Titchfield – Segensworth Widening, Fareham (October),
- Whitehill/Bordon Inner Relief Road Phase II, East Hampshire (On site).

- 3.3. Contract costs for the Newgate Lane North major scheme in Fareham, which completed last year, are still unknown due to ongoing work to resolve a large contractor claim. The County Council remains confident that the valuation is realistic and will not create a budget pressure. However in the unlikely event that the contractor decides to pursue settlement through arbitration and is successful, the cost increase will need to be financed by delaying or cancelling other schemes in the programme and any proposals of this type will be reported at a future Decision Day meeting.

- 3.4. Lessons are being learned as the Department gets to grips with such an unprecedented large-value programme. End of project reviews are highlighting a range of suggestions, including the need for especially proactive local communication with residents, to the need for more detailed early investigative work for risk identification purposes, project boards and a clearer definition of responsibilities.

- 3.5. The 'Good Governance Initiative' is taking these suggestions on-board and its implementation is being delivered alongside appropriate training to embed all the lessons and changes coming into force.
- 3.6. The maintenance programme is on target to deliver its £44.5million programme. It is too early to comment on achievements as the bulk of the work will not be complete until autumn. However, one notable scheme which completed on time and budget prior to the summer traffic peak and New Forest Show, is the major resurfacing scheme on the A35 South of Lyndhurst at a cost of £0.5million.
- 3.7. The bridge maintenance programme has commenced with a number of small repairs being completed over the first few months of the year. Most of the larger repairs are scheduled for the autumn. Financial planning for the Holmsley (£3-4 million) and Redbridge Viaduct (£15-20 million) major schemes is in-hand with a proportion of the already overburdened maintenance funds having to be set aside [and carried forward] over a number of years going forward. Clearly this level of funding will take a long time to accrue, and so all opportunities for bidding are being explored. Holmsley is currently programmed to commence in 2017/18, while the earliest anticipated start for Redbridge isn't now until 2018/19.
- 3.8. Within the Public Realm Improvements Programme two projects are now unlikely to progress and the programme priorities are under review. A revised programme will be submitted for approval in January. In addition, following an extensive public consultation, alternative proposals for Market Square in Romsey are being prepared with local partners. A decision in early autumn will determine the next steps with this scheme.
- 3.9. The Solent Enterprise Zone at Daedalus now has significant momentum, with the County Council's involvement in Daedalus East now coming to a conclusion. The 25,000 sq.ft speculative industrial building which is being delivered by ETE and Culture, Community and Business Services (CCBS) on behalf of Fareham Borough Council, was completed at the end of August 2016. ETE has helped to secure an occupier for the entire facility, which will enable a local aviation related business to expand in Hampshire. The new facility has generated additional investment from Fareham Borough Council in a higher specification fit-out.
- 3.10. Hampshire County Council is also delivering Daedalus Drive, a new 1.1km waterfront access road, due to complete in October. The power and surface water drainage related works associated with the Daedalus Drive funding package (Department for Communities and Local Government (DCLG) grant of £7.09M) should all be completed by Christmas 2016, with the foul drainage upgrade following after Christmas.
- 3.11. The County Council's involvement in Daedalus as a whole is to continue as Fareham Borough Council has appointed Hampshire County Council to undertake the design and procurement of the infrastructure works for Daedalus West.

- 3.12. Although there is no new delivery programme for Household Waste Recycling Centres (HWRC), work has been continuing on the Eastleigh site which has seen several delays recently owing to drainage issues and the need to move a high-voltage cable. The site, which has been funded by the Borough Council, is not expected to open until December.
- 3.13. To contribute to the service efficiencies programme for HWRCs, £100,000 of historical resources is to be used to support investment in technical equipment at various sites.
- 3.14. The Flood Risk and Coastal Defence capital programme is the subject of a separate paper on this agenda. Without prejudicing the outcome of that decision, it is proposed to develop 22 projects from the prioritised 'main programme' over the next few years.

4. Programme changes and decisions

- 4.1. The following amendments and additions are recommended for approval. A list of other amendments (approved under delegated authority) is included in Appendix 2.
- 4.2. 2016/17 Popley Area Improvements - Abbey Road/Shakespeare Road Improvements, Basingstoke – Scheme has been temporarily put on hold pending further investigation into the feasibility of the array of potential options put forward. Further work has highlighted a need to review the deliverability of proposals together with a full funding assessment.
- 4.3. It is therefore recommended that this scheme be deferred to 2017/18 programme, at its current £260,000 value.
- 4.4. Minor Works Improvement Programme 2016 - A thorough investigation into the progress and estimated costs of this year's programme is underway. A number of schemes are being re-profiled and re-estimated, resulting in an increased funding provision of £0.353million. This figure also includes the addition of a number of extra developer contribution funded schemes that will be delivered this year. There are 77 minor schemes in this year's programme, totalling £1.801million, funded almost equally by developer contributions and the Local Highways & Transport Fund (Members Highway Fund). The majority are expected to complete before Christmas.
- 4.5. It is therefore recommended that the Executive Member approves additional capital of £0.353 million, increasing the budget to £1.801million.
- 4.6. 2017/18 Newgate Lane South – The current programme value of £9million reflects the Solent LEP grant only and now needs to be increased to incorporate the local contributions of £0.515million, funded by LTP and Developer Contributions.
- 4.7. It is therefore recommended that the 2017/18 capital approval for Newgate Lane South be increased by £0.515 million, increasing the approved budget

to £9.515 million, which reflects the total cost of the project and aligns with information supplied to the Solent LEP.

- 4.8. A feasibility study into proposals for an alternative exit at Netley HWRC site has now indicated that adequate visibility splays for a new junction can not be achieved within the existing highway boundary.
- 4.9. On the basis that the current layout is working and is safe, it is therefore recommended that no further work be undertaken at this site.

5. Future Programme

- 5.1. Work is now underway to prepare the next 3-year capital programme. This will be submitted to the Executive Member in January, for ongoing recommendation to Cabinet in February.

6. Recommendation

- 6.1. That the recommended amendments to the Economy, Transport and Environment capital programme, as set out in section 4 of this report, be approved.

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**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.)

Document

Location

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 primarily a progress report, looking back to delivery of agreed projects. Amendments to individual schemes within each programme will have been made following consultation and will have their own project appraisals (if over £50,000) and associated equalities impact assessments. The decisions in this report are financial and for in-house management of the capital programme accounts.

2. Impact on Crime and Disorder:

2.1. The provisions 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.

TABLE OF EXPENDITURE ACROSS ETE CAPITAL PROGRAMME IN 2016/17.

Gross Expenditure	April 1st To 31 July 2016 Periods 1-4 £
Structural Maintenance	10,598,537.14
Flood & Coastal Defence Management	905,356.49
Public Realm Improvements	48,189.05
Solent Enterprise Zone	2,433,747.55
Integrated Transport Programme	10,348,056.45
TOTAL	24,333,886.68

The following is a list of projects where delegated decisions have been made since the last update.

2015/16 Whitehill & Bordon Eco-town Cycling Accessibility – budget increased by £15,384 to £120,884.

2016/17 Romsey: Abbotswood Local Transport Improvements Phase 3 – Scheme withdrawn (£150,000)

2016/17 Merton School Accessibility, Popley, Basingstoke – Reduce scope. Budget reduced by £174,000 to £226,000.

2016/17 Firs Lane, Odiham – New Entry. £115,000.

2016/17 Over Wallop Village Traffic Management – Scheme delayed to 2017/18. £195,000

2017/18 Romsey Town Centre Improvements Phase 3- Market Place – Additional funding identified. Increase of £110,000, to £610,000.

2017/18 West End Cycle Route Phase 3 – scheme withdrawn. £93,000.

2017/18 Emsworth Cycling Improvements, phase 5 – Station Links – New entry. £95,000.