

Report to the Transport for South Hampshire Joint Committee

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Subject: Update on Portsmouth City Council Funding Initiatives

Purpose of the Report

The purpose of this report is to inform the Transport for South Hampshire (TfSH) Joint Committee of the current funding bids being developed by Portsmouth City Council

Recommendation

- a) That the content of the report is noted by the Transport for South Hampshire Joint Committee.

Introduction

1. Portsmouth is a thriving south coast city with considerable assets and a clear vision and aspiration for future development of the city. Over the past decade, a number of key projects have kick-started the regeneration of the city. These have included:
 - (i) Gunwharf Quays, a redevelopment of a former Ministry of Defence land opened to the public in 2001, offering new shopping and leisure attractions by the waterfront for residents and visitors, as well as luxury and affordable housing. The success of this complex, crowned by the iconic Spinnaker Tower, re-energised the city to start thinking like a premier waterfront city;
 - (ii) the Mountbatten Leisure Centre underwent major redevelopment and refurbishment in 2009. It is now the city's premier sports facility and has a long reputation for hosting a wide variety of national and international sporting events;
 - (iii) higher and further educational institutions in the city are thriving. The University of Portsmouth has gone from strength to strength and now has over 20,000 students. Investment in the

University's estate, including the prize-winning new Library extension has also contributed to the transformation of the city.

2. Despite the significant strides taken forward, there is an appetite for further work to be undertaken to fulfil the vision set out in the Portsmouth Draft Core Strategy and Sustainable Community Strategy:

'To make Portsmouth the premier waterfront city, with an unrivalled maritime heritage – a great place to live, work and visit'.

3. Having a resilient and effective transport network is an essential element in delivering the vision. As such, transport is considered key to unlocking development and regeneration, providing essential routes and a way in to opportunities. Key transport links and services which are accessible, sustainable and efficient are a must. Transport options provided as part of the regeneration of Portsmouth will ensure the easy and safe movement of people as well as goods around the city.
4. Portsmouth has many attributes that give it significant advantages in the development of a sustainable transport system and encouragement of these as a modal choice, in particular its density, flat topography and temperate climate. The city also has a strong track record in implementing innovative steps to improve the delivery of transport solutions; for example, becoming the first city in the UK to use a Private Finance Initiative (PFI) to maintain the highway network, and the first UK city to make the vast majority of residential streets 20 miles per hour.
5. Transport challenges however do not stop at local authority boundaries, and so crossing the work of TfSH is critical to ensure a strategic network for the sub-region. This has included developing strong links to the TfSH vision in order to create a transport system for the sub-region that:
 - (i) can cope with current and future transport requirements;
 - (ii) will not have a detrimental effect on the area's environment; and
 - (iii) will improve its residents' quality of life.

Portsmouth City Council Funding Initiatives

6. Given the increasingly constrained funding environment there is a need to be innovative in the development of funding bids and applications. Portsmouth City Council is at the forefront of this work, ensuring that spending is targeted in the right locations in order to achieve excellent value for money.
7. In order to achieve Portsmouth City Council's vision, and to encourage future regeneration of the city, all funding initiatives developed will contribute and be in line with these aspirations.

Tipner Interchange

8. *Location Details* – Tipner is the largest area of land (22 hectares) in Portsmouth in need of regeneration. Many of the existing buildings and facilities are in a poor condition so that the overall appearance is one of dereliction, which severely detracts from the first visual experiences of Portsmouth on this key transport gateway.
9. The Tipner Interchange scheme provides a motorway junction on the M275, bus lane and Park and Ride site which will enable a major mixed use development to be built in Portsmouth as well as delivering improved public transport links into the City Centre.
10. The construction of a new junction on the M275 is essential to “kick-start” the regeneration process.
11. The only existing means of access to the development site is through two or three existing narrow Victorian residential streets which are heavily and unavoidably used for on-street parking, servicing etc, and as such, a new junction on the M275 is essential to allow an alternative access in order to commence the regeneration process.
12. Once built, the junction will be the main route for construction traffic for land remediation, flood defences and building. The new junction will have a significant effect in minimising the impact of construction traffic on the local road network. It is essential to providing the comprehensive infrastructure needs of the housing, employment and Park and Ride developments, and will lessen the impact of development traffic on existing communities.
13. In addition, there is the potential that a further regeneration site at Horsea Island (on surplus land owned by the Ministry of Defence) and Port Solent could be brought forward which could deliver further employment uses or a much needed 1,000 residential units for the city (*Portsmouth Draft Core Strategy, PCS1 Tipner and PCS2 Port Solent and Horsea Island, April 2011*). This would however only be possible if a new motorway junction is in place, which would enable a new bridge link from Tipner to Port Solent.
14. *Key Scheme Objectives* –
 - (i) to enable the full planned development to take place;
 - (ii) facilitate future planned developments in the wider area;
 - (iii) improve the visual and environmental amenity of Tipner;
 - (iv) enhance public transport performance and accessibility;
 - (v) maximise the use of sustainable transport modes to and from the development; and
 - (vi) to contribute to the future extension of the proposed Bus Rapid Transit (BRT) system.

15. *Scheme Bid Details* – The Government will provide an extra £170 million of funding for local authority major transport projects to enable all the projects in the development pool for the Spending Review 2010 period to go ahead, subject to them passing the Department for Transport assurance process. As of 29 November 2011, 20 individual projects have passed this process including the Tipner Interchange major scheme bid.
16. The Tipner interchange bid includes approximately £20 million of Government grant funding and approximately £10 million through match funding from Portsmouth City Council and third party contributions.
17. *The scheme includes* - the construction of the Tipner Interchange will enable a comprehensive regeneration scheme to be developed comprising of (*Portsmouth Draft Core Strategy, PCS1 Tipner, April 2011*):
 - (i) an additional 770 dwellings (making 1,250 in total on the site) (30% affordable);
 - (ii) 25,000m² of employment space providing 1,500 new jobs;
 - (iii) 1,800 parking space Park and Ride;
 - (iv) a new grade separated motorway junction on the M275 at Tipner to provide direct access to the development site;
 - (v) the creation of an additional southbound lane for buses on the M275 from the new interchange to the end of the motorway at the Rudmore roundabout;
 - (vi) bus priority measures, including partial signalisation of the Rudmore Roundabout where it ends;
 - (vii) a 150 bed hotel;
 - (viii) community facilities including a GP surgery and community centre;
 - (ix) further retail to support the local proposed community;
 - (x) residential tower; and
 - (xi) waterside public open space with high quality public realm.

Northern Road Bridge

18. *Location Details* – Northern Road Bridge is owned by Portsmouth City Council and carries the A397 between the M27 and the A3 over the railway at Cosham.
19. Northern Road is a critical route for buses and commuters carrying approximately 60 buses per hour in both directions and a vast amount of vehicles on a regular basis.
20. An inspection was undertaken in February 2005 that revealed the condition of the bridge to be very poor. The bridge is suffering from crumbling concrete and is not as strong as it once was. Therefore to

help the bridge last longer, the road was made narrower so there is now only a single lane in each direction.

21. *Key Scheme Objectives* –
 - (i) to replace the Northern Road Bridge; and
 - (ii) to replace the bridge to its original width.
22. *Scheme Bid Details* – The Government will provide an extra £170 million of funding for local authority major transport projects to enable all the projects in the development pool for the Spending Review 2010 period to go ahead, subject to them passing the Department for Transport assurance process. As of 29 November 2011, 20 individual projects have passed this process including the Northern Road Bridge major scheme bid.
23. The Northern Road Bridge bid includes approximately £11 million of Government grant funding and approximately £1.5 million through match funding from Portsmouth City Council and third party contributions.

Dunsbury Hill Farm

24. *Location Details* –Dunsbury Hill Farm is a major employment site that will form a prestigious new business gateway to the Havant/Portsmouth area and the wider South Hampshire sub-region. The site is owned freehold by Portsmouth City Council but lies entirely in the Borough of Havant (refer to Appendix A).
25. Dunsbury Phase 1 is a 13.2 hectare Greenfield site located immediately off junction 3 of the A3(M) at Havant and close to the M27. A further seven hectares of land forms phase 2 of the development.
26. Access to the development has been further improved following the completion of the Hindhead Tunnel in 2011.
27. *Key Scheme Objectives* –
 - (i) create a high quality business and technology park of regional significance;
 - (ii) deliver economic and social benefits for both the sub-region and the neighbouring area of Leigh Park where there are high levels of multiple deprivation; and
 - (iii) secure a development partner to enable the site to become a high tech business park together with high quality hotel providing up to 60,000 square metres of employment space and circa 2,500 jobs.
28. Portsmouth City Council is part of a Steering Group with Havant Borough Council, Partnership for Urban South Hampshire (PUSH), Transport for South Hampshire and Hampshire County Council.

Portsmouth City Council has commissioned consultants to prepare and submit a planning application for the road, which will unlock the potential of this site.

29. The aim is to submit a planning application to Havant Borough Council in the near future.

Local Sustainable Transport Fund (LSTF) – Portsmouth City Council bid

30. *Location Details* – Portsmouth City Council’s package aims to connect the retail and tourist centres within south-west Portsmouth through sustainable travel options and congestion reduction.
31. Better connectivity and awareness of travel options will increase Portsmouth’s attractiveness as a retail and tourist destination, supporting economic regeneration through increased visitor numbers and spend, and job creation.
32. More trips will be undertaken by public transport, walking and cycling, reducing congestion and limiting the environmental impact of travel, enabling a reduction in the city’s total carbon emissions.
33. The bid will add value to the wider geographic area of South Hampshire and the Isle of Wight through the synergy between the respective bids submitted by neighbouring authorities.
34. *Key Scheme Objectives* –
 - (i) improve connectivity between the City Centre, Gunwharf Quays/The Hard, Southsea, and the Seafront, by sustainable modes;
 - (ii) encourage mode shift from car to sustainable modes (for trips by visitors, residents, commuters and businesses);
 - (iii) reduce congestion; and
 - (iv) make Portsmouth a more attractive location for shopping and leisure activities, and a more desirable place to live and work.
35. *Scheme Bid Details* – Portsmouth City Council will be submitting a small project bid for around £5 million Department for Transport (DfT) funding in tranche 2.
36. Portsmouth City Council is currently developing a full business case with stakeholders and key partners ready for submission to the DfT in February 2012. The scheme includes:
 - (i) wayfinding measures;
 - (ii) walking and cycling infrastructure;
 - (iii) public realm improvements;
 - (iv) promoting cycling;
 - (v) public transport improvements;

- (vi) travel planning; and
- (vii) information and branding.

Local Asset Backed Vehicle

- 37. *Details* – A Local Asset Backed Vehicle (LABV) is a means of generating capital to use in regeneration schemes. This is achieved by combining the assets of the public sector together with matched assets and expertise of the private sector. This enables both public and private sector to share the risks and rewards of any proposed schemes. The LABV is typically a limited liability partnership where the council and private sector investment partner hold an equal 50% stake. This type of venture allows the council to ensure regeneration takes place in the way it wants and in the locations it wants, together with realising more value from the proceeds of any future income streams or sales of developed assets.
- 38. Portsmouth City Council is currently developing a package of development sites within the city centre. This package will be going to the market shortly to seek a developer.

Conclusion

- 39. Portsmouth has made positive progress towards the future regeneration of the city. With the recent announcement of £20 million of Government grant funding towards Tipner and £11 million to maintain North Road Bridge in Cosham, this will provide a significant boost for the whole of Portsmouth.
- 40. Moving forward all future bids will deliver the vision for Portsmouth and encourage further regeneration of the city.

Section 100 D - Local Government Act 1972 - background papers

The following documents disclose facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of this report.

NB the list excludes:

- 1. Published works.
- 2. Documents which disclose exempt or confidential information as defined in the Act.

TITLE

LOCATION

None

Dunsbury Hill Farm location plan.

