



Transport for South Hampshire

Business Plan 2011 – 2013

Mid-term review 2012

June 2011 – May 2013
V4

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1. Introduction from the Chairman



Councillor Melville Kendal
Chairman of the TfSH Joint Committee

This TfSH Business Plan provides a mid-term update to the 2011-13 Business Plan that we published last year. It sets out how key priorities for the South Hampshire area, as identified by the Solent LEP, the South Hampshire Joint Local Transport Plan Strategy and PUSH will be delivered through a Work Programme.

When this third Business Plan was published last year, we noted that it was written within a significantly changed context, and as we update this plan mid-term, change continues. Since taking office two years ago, the coalition Government has set out its agenda on public sector funding, local governance and transport policy through a series of statements, policy documents and funding decisions. These policy shifts are having a significant impact across the local government sector and more widely. I am delighted that the Isle of Wight Council has recently joined TfSH, and this Business Plan update also reflects the expansion of our partnership.

We have adapted well to the changed context and seized opportunities for delivering improved transport outcomes for South Hampshire, as and when they have arisen. The past 12 months have been successful: We were awarded £17.89m from the Department for Transport's (DfT) Local Sustainable Transport Fund (LSTF) for our large project package bid, which was one of just two bids to be fully funded. In addition we have been awarded £4.5m of DfT funding following a successful bid to the Better Bus Area Fund. In addition, BRT phase 1a has been delivered and our evidence base is proving its worth. These projects combine to reaffirm the position of public transport at the heart of our transport strategy for sustainable economic growth.

We are moving forward in a strong position, working with SHBOA on the delivery of the LSTF and Better Bus Area Fund projects and supporting the Solent LEP. We have a proven capacity to plan and deliver, and we look forward to the next 12 months and the opportunities that will arise – we are ready for them.

**Councillor Melville
Kendal**
Hampshire County
Council

Councillor Edward Giles
Isle of Wight Council

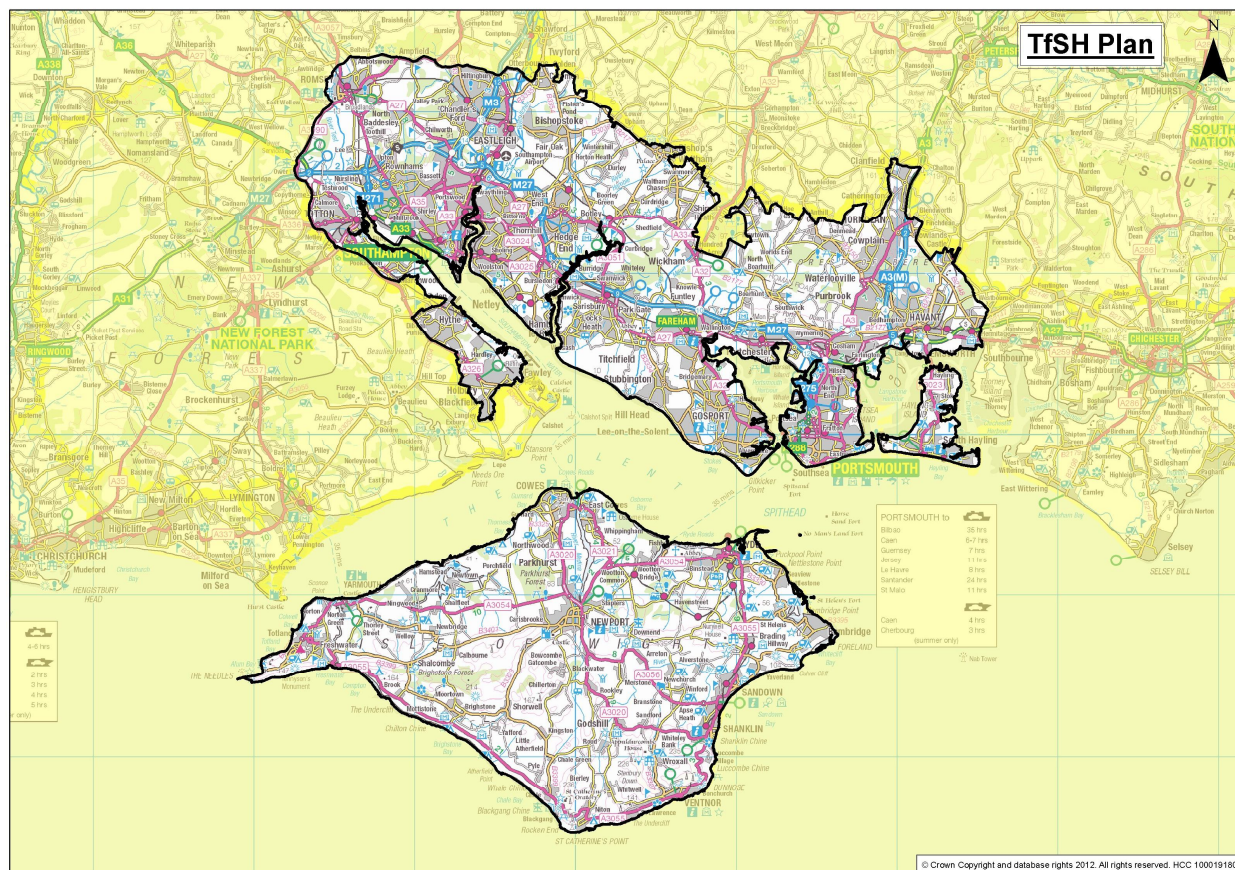
Councillor Asa Thorpe
Southampton City
Council

**Councillor Jason
Fazackarley**
Portsmouth City Council

2. Background

Transport for South Hampshire (TfSH) is a partnership comprising the four highway and transport authorities of Hampshire County Council, Isle of Wight Council, Portsmouth City Council and Southampton City Council. The partnership covers the area shown in map 1.

Map 1: TfSH Area



TfSH represents the four local highway and transport authorities of South Hampshire and, by working collectively, provides a more powerful and effective strategic force in improving transport in South Hampshire than the four authorities would otherwise achieve by working separately. The partnership recognises that the transport movements in this polycentric and interconnected urban area do not respect administrative boundaries and so provides a mechanism through which solutions across boundaries and partners can be developed and funding secured. A strength of the partnership is that the four authorities also pursue independent local priorities as well as working collectively on strategic matters.

The first TfSH Business Plan (2007-09) set the direction for what was the newly constituted TfSH partnership and sought to establish and strengthen relationships with national and local strategic partners including the Department for Transport, Highways Agency, Network Rail and Partnership for Urban South Hampshire (PUSH). A significant output of the Plan was the publication of [Towards Delivery](#), which set out the issues and priorities for the area in the context of planned growth and provided the foundation for applications to the (now cancelled) Regional Funding Programme.

The second Business Plan (2009-11) sought to coordinate the delivery of the strategies and schemes that were seen as necessary for South Hampshire to successfully overcome the challenges of growth in demand for travel, planned housing and economic growth – as outlined in *Towards Delivery*. It also defined the core activities of TfSH at that time as centred around bidding, development of an evidence base, influencing

national and regional decision making, and to co-ordinate a joint Local Transport Plan 3 for South Hampshire. With regard to bidding, the Plan formalised the extent of the role of TfSH and the individual authorities in scheme development through a set of protocols. These are shown in section 4 (Figure 2). Successes within the Plan period include:

- the securing of £20m for phase 1 of the South East Hampshire Bus Rapid Transit (BRT) scheme connecting Fareham and Gosport through the second round of the Community Infrastructure Funding (CIF) programme
- being one of a small number of areas asked to produce a *Delivering a Sustainable Transport System* (DaSTS) study
- the publication of a Joint LTP3 Strategy for South Hampshire (HCC,PCC and SCC), and
- the development of high-specification, DfT compliant modelling suite (the Sub-Regional Transport Model - SRTM)

When published last year, this third Business Plan identified the need to build on past successes and relationships, but within a significantly changed context – and that changed context continues for this mid-term update. Since taking office two years ago, the coalition Government has set out its agenda on public sector funding, local governance and transport policy through a series of statements, policy documents and funding decisions. These policy shifts are having a significant impact across the local government sector and more widely. Of particular significance has been the Local Growth White Paper (2010), which set out the Government’s intention to introduce a number of Local Enterprise Partnerships (LEPs). In South Hampshire the [Solent Local Enterprise Partnership](#) was established in the initial tranche of LEPs. All four TfSH authorities are board members of the Solent LEP. More recently, the DfT consultation on devolving local major transport schemes seeks to establish Local Transport Bodies and Local Transport Consortia, for the local prioritisation of major scheme funding. TfSH is in an ideal position to provide the Local Transport Body covering the Solent LEP area as it has the necessary governance, accountability, and stakeholder relationships in place and provides the strategic transport partnership for South Hampshire.



TfSH has navigated change well and has had a successful year in 2011-12. We have been awarded £4.5m of DfT funding following a successful bid to the Better Bus Area Fund. The £7.4m bid was developed in partnership with the South Hampshire Bus Operators Association (SHBOA), who themselves are contributing over £2m to the project and will be delivering the majority of the project components. The

project aims to raise the quality of bus travel for all, and through this, change perceptions of the bus, with the outcome of an 8% increase in bus patronage, a 5.6% increase in public transport mode share, and 4,205 fewer tonnes of carbon emitted. The project aims to achieve this through addressing those features of bus travel that act as

Bus Partnership Ambition

'achieve modal shift in favour of the bus to support the South Hampshire growth agenda by raising the profile and creating a legible bus network that improves the overall quality of bus service provision.'

South Hampshire Bus Partnership Agreement, June 2010

barriers to attracting new users and by providing facilities that will make bus travel a comparatively better option to the private car. By growing bus patronage and bus modal share, we will release highway capacity on the key radial routes into our urban centres and so improve journey times for all highway users.

In addition, TfSH was one of just two large project package Local Sustainable Transport Fund bids to receive full funding with its £17.89m bid. The proposals can be categorised under three inter-locking themes:

- An interoperable smart ticket for bus and ferry travel



- Area-wide and corridor-specific *Travel Choice* interventions, aimed at encouraging uptake of public transport, walking and cycling
- Physical interventions along nine corridors and at interchanges (*including Real Time Passenger Information, bus priority, and provision for cycling and walking*).

These interventions will target nine corridors into Gosport, Portsmouth, and Southampton. The two cities are the economic centres for South Hampshire, yet access to both is congested – particularly in the peaks. As a peninsula, access to Gosport is constrained, and this needs to be relieved to help regenerate the area and support the Solent Enterprise Zone at Daedalus.

The project is a partnership of Local Authorities, Bus Operators, Businesses and other organisations who are all contributing time, expertise and funding to improve travel in South Hampshire.

Linked to the LSTF bid, we are making good progress with regard to a smart ticketing solution for public transport in South Hampshire.

Bus Rapid Transit (BRT) phase 1a has been delivered and is operational. The South East Hampshire BRT is a high specification flagship scheme promoting the use of public transport as an alternative means of transport in the heavily congested urban areas of Gosport, Fareham and Portsmouth, where economic regeneration and development are currently stifled by inaccessibility and congestion.

We are also working with South West Trains and Network Rail to investigate options for the re-opening of the Waterside rail line to passengers. This work is being led by HCC.

Together, these projects place public transport at the heart of our transport strategy for sustainable economic growth and accord with the ambition stated within the South Hampshire Bus Partnership Agreement to '*achieve modal shift in favour of the bus to support the South Hampshire growth agenda by raising the profile and creating a legible bus network that improves the overall quality of bus service provision*¹.'



The Solent Enterprise Zone (EZ) at Daedalus, in Gosport, has recently been granted planning permission, and TfSH is working with the Solent LEP to deliver enabling transport solutions focussed on a step change in transport provision between the Solent EZ and strategic transport networks at

M27 Junction 11 and Fareham Railway Station. The aim is to improve journey time reliability and as a consequence, facilitate agglomeration and improve productivity, recognising that employment-led redevelopment at Daedalus can reduce out commuting from the peninsula and provide local sustainable access to jobs. Infrastructure investment in the short to medium term will focus on Newgate Lane as the key route to M27 at Junction 11, and Fareham Railway Station. This is a viable alternative for traffic, particularly lorries, currently using the western approach roads via Stubbington.

The composition of the TfSH team has also undergone significant change since the writing of the last Business Plan, in line with restructuring across the Public Sector. The Project Director role has been diluted, which means that the role of the Senior Management Board, in providing the strategic direction of TfSH is now more important than ever. The strategic leadership has, in the past, been initiated by the Project Director, but this must now be a key function of the Senior Management Board meetings, for presentation to the Joint Committee.

¹ South Hampshire Bus Partnership Agreement – June 2010
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The DfT's current Major Schemes programme runs until 2015 and locally, Tipner Interchange and the Northern Road Bridge Maintenance scheme have successfully secured major scheme funding. These are both being progressed by Portsmouth City Council. Recently, the Government consulted on a document titled *Devolving Local Major Transport Schemes*², which set out proposals for a new system for prioritising and funding local major transport schemes to take effect from April 2015 (the next spending review period). Central to the proposals is the formation of democratically accountable Local Transport Bodies (LTBs), which will prioritise and oversee the delivery of schemes funded through this devolved funding stream. Government's intention is for Local Transport Authorities and Local Enterprise Partnerships to take influential roles in decision making in these new LTBs. TfSH responded positively to this consultation, welcoming the proposed devolution of funding and decision making, as well as the removal of the £5m lower threshold for schemes. TfSH is well placed to provide the Local Transport Body for the Solent LEP area and we will work with the Solent LEP and DfT on proposals for this over the course of this year.

The delivery of the Sub-Regional Transport Model (SRTM) was a key success of the second Business Plan and the modelling suite places TfSH in an incredibly strong position to evidence its case for intervention – something we have not been able to provide sufficiently previously. We are considering how we broaden our evidence base to reflect the recent expansion of TfSH to include the Isle of Wight Council area. The SRTM has been used to appraise our BBAF and LSTF bids, to identify a wider BRT network, and is being used by developers and Local Planning Authorities to assess the transport impact of development proposals and test mitigation measures. In addition, the SRTM is being used to develop a Transport Delivery Plan (TDP), which will outline the interventions required to enable the planned growth in South Hampshire. The LTSIP will consider the transport interventions required to mitigate forecast new development in the aggregate. Mitigation required for individual strategic and smaller sites will be proposed by development promoters and agreed with the relevant highway and local planning authorities. The SRTM is available to support these assessments.

Experience from those areas that are consistently successful in securing transport investment makes clear the importance of a robust transport evidence base underpinning an evidenced, objective and realistic delivery plan. The connections between transport and the economy are clear and the need to prioritise transport schemes by their economic impact is now more important than ever. The need to effectively appraise the full range of schemes that can influence transport outcomes, including regeneration and public realm is important and this is an area where we will seek to improve our evidence base. The aspirations of the Solent LEP and the wider business community will be an important consideration through the development of the LTSIP. A dual focus on improving access to and movements within South Hampshire is imperative.

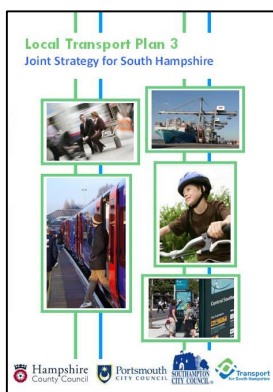
Importantly, the development of the SRTM has been guided by a Steering Group including DfT, Highways Agency and Network Rail and this group is continuing to guide the development of the LTSIP. Critically, the delivery plan will also provide TfSH with the ability and agility to seize on new funding opportunities and actively seek out new funding opportunities, as they become available.

As proposed in the second Business Plan the mainland TfSH authorities (HCC, PCC and SCC) worked together on the development and subsequent publication of a Joint LTP3 Strategy. The TfSH principle of *Reduce, Manage, and Invest* outlined in *Towards Delivery* is implicit throughout the LTP3 Strategy and so remains relevant today. However, this Business Plan updates the TfSH Vision to make it consistent with the South Hampshire Joint LTP3 Strategy, and refreshes the TfSH Objectives.

In addition to setting out a proposed programme of activity for the current year, this Business Plan outlines the governance, organisational and delivery arrangements and reflects the budget available. Additional funding will actively be sought from a wide variety of sources, as opportunities arise during the currency of the Plan.

² DfT (2012) *Devolving Local Major Transport Schemes*. [online] Available from: www.dft.gov.uk
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Mid-term update

3. Strategic Direction



The mainland TfSH authorities (HCC, PCC and SCC) have worked together to develop a Joint LTP3 Strategy for South Hampshire, which identifies common transport:

- vision
- challenges
- outcomes, and
- policies.

The Transport Vision of the TfSH authorities, as set out in the Joint LTP3 Strategy is to create *"a resilient, cost effective, fully-integrated sub-national transport network, enabling economic growth whilst protecting and enhancing health, quality of life and environment."*

In the past, TfSH has not been a delivery body, but instead has focused on the coordination of strategic level interventions, with projects being delivered by the partner authorities or wider partners such as bus operators. However, TfSH is increasingly having to take on more of a client management role, following the success of the Better Bus Area Fund Bid.

A strategic scheme is defined as a scheme that will have significant benefit over an area wider than its immediate locality. In consideration of this, the objectives of TfSH – in support of the Vision – are:

- Plan and develop strategic transport solutions that enable sustainable economic growth
- Identify and coordinate bids for funding transport solutions
- Maintain, strengthen and develop partnerships
- Coordinate the exploration of alternative mechanisms of delivery to improve the efficiency and local responsiveness of transport service delivery.

The TfSH Vision is to create:

"a resilient, cost effective, fully-integrated sub-national transport network, enabling economic growth whilst protecting and enhancing health, quality of life and environment."

LTP3, April 2011

Whilst the objectives remain, we have updated our core activities for the 2012-13 year to reflect current opportunities, and these are:

- Develop an evidenced, objective and realistic Transport Delivery Plan that responds to the sustainable economic growth aspirations of South Hampshire, its businesses and the wider UK economy
- Coordinate bids to funding pots and programmes, in particular the post 2015 devolved local major transport schemes programme
- Establish a Local Transport Body covering the Solent LEP area
- Manage, develop and maintain the Sub-Regional Transport Model (SRTM)
- Delivery of the Better Bus Area Fund project with SHBOA
- Delivery of the Local Sustainable Transport Fund Large Project Package
- Provide strategic transport intelligence and advice to the Solent LEP and PUSH
- Support the delivery of the Solent Enterprise Zone at Daedalus and other Strategic Sites
- Produce a public transport delivery plan for South Hampshire in partnership with SHBOA and other stakeholders
- Maintain existing partnerships and strengthen links with business partners, in particular
- Administration and coordination of the TfSH Joint Committee, Senior Management Board, and Working

Groups

Provide transport input to the South Hampshire Multi-Area Agreement in order to facilitate co-operation and investment, as well as other agreements

4. Governance and Partnerships

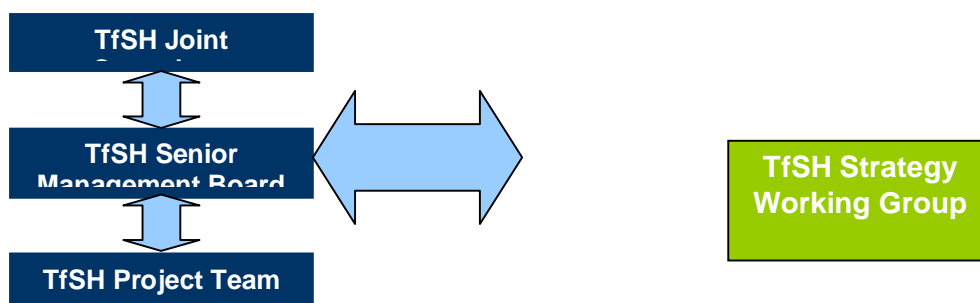
A Joint Management Agreement for TfSH was approved in June 2008, by the three constituent highway authorities (HCC, PCC and SCC). The Agreement formalises the governance arrangements for TfSH and records the intentions of these three authorities to work together. Isle of Wight Council were formally accepted an invitation to join TfSH in May 2012.

Since transport is a key factor that can have a profound influence on the location and rate of sustainable growth, a relationship exists between TfSH and PUSH, which both cover the South Hampshire sub-national area (Map 1) served by the Borough Councils of Eastleigh, Fareham, Gosport and Havant in their entirety and also part of the districts of East Hampshire, Winchester, Test Valley and New Forest. The PUSH area does not include the Isle of Wight. This relationship will continue to have a two-way impact on the work of the respective partnerships during the period of this Business Plan.

As outlined earlier in this Plan the Solent LEP has recently been established and TfSH has been providing its strategic transport intelligence and advice. A Business Board member of the Solent LEP has been co-opted onto the TfSH Joint Committee.

The TfSH partnership is structured as a formal Joint Committee, established in accordance with the Joint Management Agreement and Section 102(1) of the Local Government Act 1972. This is supported by a Senior Management Board, comprising the senior transport planning officers of the four highway authorities. This Board is, in turn, served by a number of Working Groups, which involve industry stakeholders to ensure that plans and aspirations are embedded within their respective company plans for investment. The TfSH governance structure is shown in Figure 1.

Figure 1: TfSH Governance



A project team is in place to ensure that TfSH delivers in accordance with this Business Plan, ensuring that the organisation is:

- properly resourced
- involves stakeholders at all appropriate levels
- results driven; and
- accountable to the constituent authorities.

The project team structure has contracted considerably and currently has provision to be resourced by three FTEs.

In addition to the local highways and transport authorities, a wide range of stakeholders is affiliated to TfSH. These organisations, representing transport authorities and operators, business and government agencies, are involved through their attendance at the Joint Committee meetings and, as appropriate, through working groups to develop the strategy, or to progress improvements relevant to their particular interest.

The first meeting of the TfSH Joint Committee in October 2007 established a principle for the business planning cycle. In view of the differing electoral cycles of the three constituent authorities, it agreed to follow the political calendar (June to May), rather than financial years. The arrangement would allow incoming Members, during an election year, to influence the shape of future Business Plans rather than commit them to a pre-existing plan based on an April start.

This Business Plan update covers the June 2012 to May 2013 period. A Work Programme has been prepared to continue the development and establishment of the partnership.

In accordance with the Joint Management Agreement the TfSH Joint Committee appointed HCC, PCC and SCC to provide certain services, advice and guidance to TfSH. This is to ensure an equitable spread of responsibilities and to utilise existing skills and competences within the three authorities. These responsibilities are outlined in Figure 2.

Figure 2: Responsibilities of the partner authorities

Responsibility	Lead Authority
Finance matters	Led by Hampshire
Technical matters	Led by Hampshire
Democratic Process	Led by Hampshire
Legal matters	Led by Southampton
Public Relations and Marketing	Led by Portsmouth

As indicated above, the role of TfSH in coordinating bidding activity for strategic projects is a core activity. The Joint Committee on 17 October 2008 established the principle that major projects should be vested in the appropriate highway authority as 'Lead Authority' for implementation and construction. The Lead Authority will have the full authority and power to act on behalf of TfSH for the purpose of delivering the major project. The distinction between the roles of TfSH and the Lead Authority is shown in Figure 3.

Figure 3: Bidding Protocol

Project Stage	Responsible Body
Outline specification of schemes and interventions	TfSH
Bidding for funding, from various sources	TfSH
Outline design and broad order cost estimates	Sourced by TfSH
Approval of allocated resources	Notified by TfSH
Project development	Lead Highway Authority
Detailed design	Lead Highway Authority
Implementation of scheme or intervention	Lead Highway Authority

Where an authority takes on the role as Lead Authority for a major project within their area, it will be the responsibility of that Lead Authority to provide the advice and guidance relating to all aspects of that particular project.

5. Finance

Financial Protocols

As part of the governance arrangements for TfSH, a set of financial protocols have been prepared by the TfSH Treasurer, in discussion with the TfSH legal adviser, for governing the financial management of TfSH. The protocols are available for inspection.

The protocols set out a process for approving projects and recognise the role of Lead Authorities in taking forward the delivery of major projects that have secured funding through the efforts of TfSH.

Budget Planning 2012-13

In previous years the budget planning within the Business Plan has covered the full two year period of the Business Plan. However, given the changing landscape TfSH is operating in, for this business plan it was decided to outline single year budgets.

The partners' contributions to TfSH are set out in the table below.

Hampshire County Council	£100,000	45.5%
Isle of Wight Council	£20,000	9%
Portsmouth City Council	£50,000	22.75%
Southampton City Council	£50,000	22.75%

The tables below show the TfSH revenue and capital funding forecast for 2012/13. This is based on the above funding from the partners and a carry forward of under-spending of £425,000. The carry forward is as a result of additional HCC contributions to the evidence base budget line. The budget includes the £4,477,200 (split £3,590,760 capital, and £886,440 revenue) that TfSH has been awarded from the DfT's Better Bus Area Fund. The £4,477,200 funding is required to be spent on those projects outlined in the [bid](#).

Revenue Funding 2012/13	
Balance b/f from previous year	£425,000
Better Bus Area Fund	£886,440
Partner contributions	£220,000
Total Revenue funding	£1,531,440

Capital Funding 2012/13	
Better Bus Area Fund	£3,590,760
Total Capital funding	£3,590,760

In addition to the above secured funding, TfSH has also been successful in a bid to the Local Sustainable Transport Fund for £17.84m as part of a £31m package of sustainable transport interventions. The funding will be spent as outlined in the [Business Case](#) and delivery arrangements are programmed.

6. Work Programme for 2012-13

This work programme builds on and updates that outlined for last year and reflects the emerging priorities.

Priority Actions 2012-13

1	Develop an evidenced, objective and realistic Transport Delivery Plan that responds to the sustainable economic growth aspirations of South Hampshire, its businesses and the wider UK economy
2	Coordinate bids to funding pots and programmes, in particular the post 2015 devolved local major transport schemes programme
3	Establish a Local Transport Body covering the Solent LEP area
4	Manage, develop and maintain the Sub-Regional Transport Model (SRTM)
5	Delivery of the Better Bus Area Fund project with SHBOA
6	Delivery of the Local Sustainable Transport Fund Large Project Package
7	Provide strategic transport intelligence and advice to the Solent LEP and PUSH
8	Support the delivery of the Solent Enterprise Zone at Daedalus and other Strategic Sites
9	Produce a public transport delivery plan for South Hampshire in partnership with SHBOA and other stakeholders
10	Maintain existing partnerships and strengthen links with business partners, in particular
11	Administration and coordination of the TfSH Joint Committee, Senior Management Board, and Working Groups
12	Provide transport input to the South Hampshire Multi-Area Agreement in order to facilitate co-operation and investment, as well as other agreements

TfSH Action Plan 2012-13

Priority Action	Activity	Lead	TfSH Staffing Resource (%FTE)	Funding	Delivery	
1	1.1	Scheme Preparation, Modelling and Scenario Testing.	TfSH	10%		-
	1.2	Development of a Transport Delivery Plan for South Hampshire and the Isle of Wight.	TfSH	35%	£180k	09-2012
2	2.1	Coordinate bids to funding pots	TfSH & Partner authorities	30%	Staff resource	-
	2.2	Coordinate bids in readiness for the next DfT Major Schemes round (2015)	TfSH & Partner authorities	20%	£100k	-
	2.3	Support HA in developing bids to the HA Pinch Point Programme and other HA funding streams.	TfSH & Partner Authorities	5%	Staff resource	-
3	3.1	Develop and submit proposals for the establishment of an LTB covering the Solent LEP area	TfSH	20%	£50k	12-2012
	3.2	Establish a Local Transport Body covering the Solent LEP area	TfSH	20%		04-2013