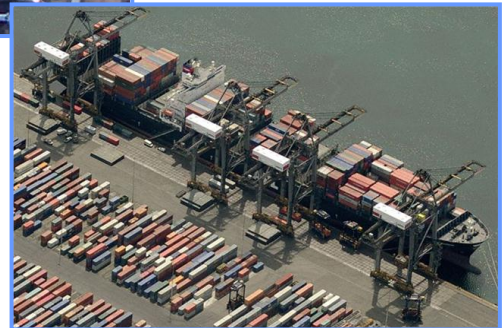
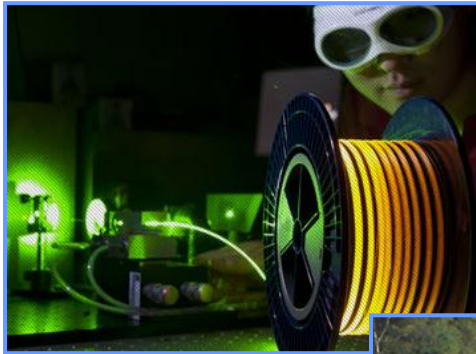


Solent Local Transport Body

Transport Investment Priorities

Within Indicative Funding Envelope



July 2013



Contents

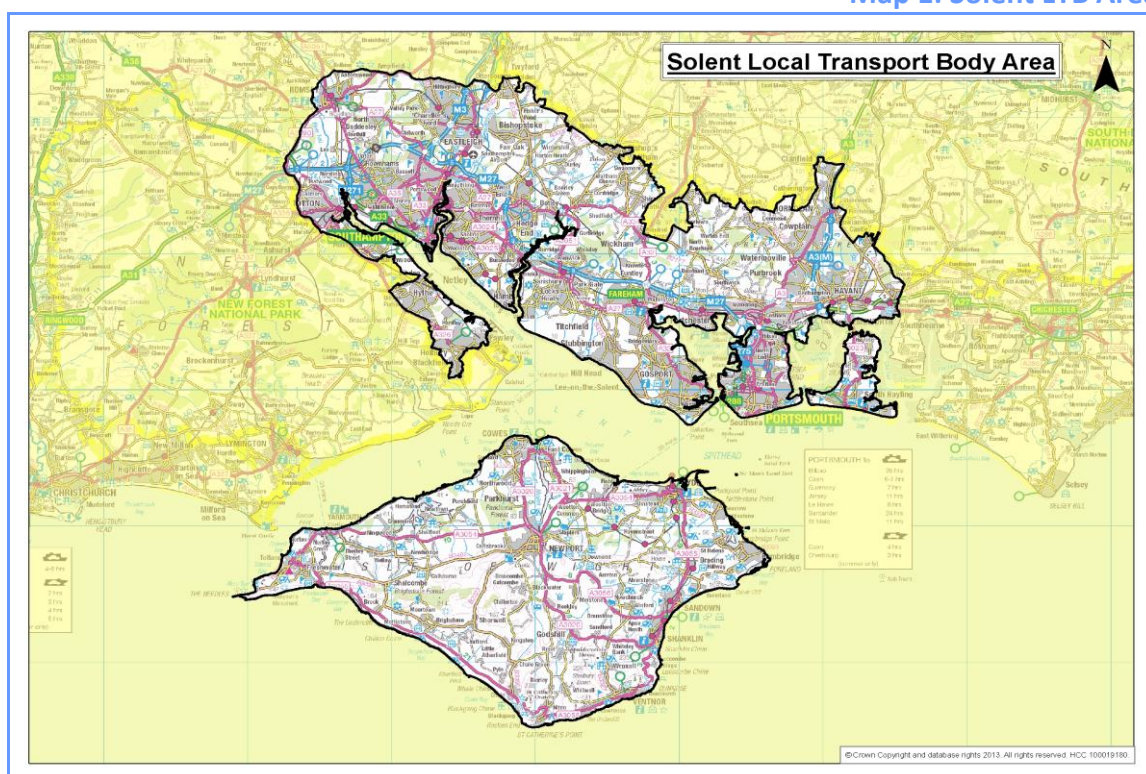
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Section 1: Introduction

1.1 Background

The Solent Local Transport Body (LTB) is a voluntary partnership between the four Local Transport Authorities of Hampshire County Council, Isle of Wight Council, Portsmouth City Council and Southampton City Council, the Solent Local Enterprise Partnership (LEP) and Partnership for Urban South Hampshire (PUSH) covering the area shown in Map 1, below. This boundary is coterminous with that of the Solent LEP and Transport for South Hampshire & Isle of Wight (TfSHIoW).

Map 1: Solent LTB Area



The LTB builds upon the existing structure of partnership working on strategic transport matters within the area, as provided by TfSHIoW. The LTB also includes the Solent LEP, which brings together the private and public sectors to set the economic strategy and priorities to realise sustainable economic growth and private sector investment in the Solent area, and PUSH, which brings together the local authorities of the area to facilitate the strategic planning functions necessary to support growth. In addition to the full (voting) members, the LTB has a range of Associate Members, including public transport operators, the ports and airport, local planning authorities and economic partnerships.

The TfSHIoW [Transport Delivery Plan](#) (TDP), published in February this year, sets out the transport investment priorities for the Solent area. The TDP represents the output of a significant workstream that followed the DfT WebTAG process for identifying transport solutions that support sustainable economic growth in the Solent area. Current and forecast transport problems were identified using the Sub-Regional Transport Model (SRTM). Around 400 potential solutions to these evidenced problems were then identified, which, in turn, were sifted (using a methodology similar to DfT's Early Assessment and Sifting Tool (EAST), leaving a far smaller list of

solutions for testing. Those schemes that made it through this rigorous process, which included stakeholder consultation, comprise the TDP and our transport investment priorities. The TDP is a live document, which is kept under review, and will change as evidence changes and new opportunities present themselves.

The transport investment priorities presented within this document are a sub-set of the TDP and represent those TDP schemes that respond to the specific focus and eligibility criteria set by the Solent LTB. The TDP remains our overall list of transport investment priorities, and we will seek funding for these, recognising that some will be more suitable for different types of funding than others.

1.2 Purpose

This document is for submission to DfT to comply with their request for our transport investment priorities within a £28.8m indicative funding envelope.

In addition, this document presents a wider prioritised list of transport investments than the £28.8m envelope to reflect DfT's request for planning for alternative funding scenarios, recent government announcements on funding, and our determination to develop *shovel-ready* schemes to kick-start local economic growth. This is an appropriate approach given the recent [Comprehensive Spending Review](#) 2013 and [Investing in Britain's Future](#), which identify that:

- That there is some uncertainty around funding levels for local major transport schemes beyond 2015-16;
- That funding will be channelled through the Single Local Growth Fund (SLGF), which will be locally managed by the Solent LEP; and
- There is a clear focus for the coalition government on funding the delivery of infrastructure.

It is important to note that our priorities reflect both the specific focus for this fund and where we are now. As new opportunities present themselves and as transport solutions are developed, our priorities may change.

Indeed, the attached list has been developed from applications received for an initial round one invitation. A second round is expected to open later in 2013-14, whilst we are working with the Solent LEP to consider options for pooling resources, in particular from the EU Structural Investment Fund. Scheme proposers will also continue to seek funding from alternative sources, as they become available, whilst some schemes are the subject of Regional Growth Fund applications. All these factors may result in a change to our prioritised list over time.

Finally, the Solent LTB has been working with other LTBs to build support for projects that provide mutual benefits and indeed benefits at a national scale. We would like to discuss with DfT and other partners how best to fund and take these schemes forward.

Section 2: Assessment

This section summarises the assessment methodology employed and each of the schemes submitted for prioritisation.

2.1 Assessment Methodology

The stated aim of the Solent LTB is for this fund to be used for transport investments that have no identified funding source to fully cover the cost of the project and that deliver directly or indirectly economic benefits to the Solent economy in terms of growth in employment or that safeguard employment, drive new residential and/or employment development. For full details on eligibility see the [application guidance](#).

Applications were invited from full members of the LTB over the period Monday 13th May 2013 to Wednesday 12th June 2013. Applications from third parties could also be submitted, so long as they were sponsored by a full member of the LTB. At the same time, expressions of interest for schemes that may come forward in round two (expected later in 2013-14) were also invited. In so doing, the LTB Board would be aware of potential future schemes when making decisions on round one funding.

The LTB employed independent technical assistance for the assessment of applications to ensure objectivity and consistency. Assessment was based on the content of the submitted application form and on discussions at face-to-face meetings with scheme proposers. Attempts were made to normalise applications to provide a consistent basis of assessment.

The application form was arranged into five main sections – one for each of the Business Case sections (Strategic, Economic, Financial, Management and Commercial), with each section scored between 1-10. The upper, middle and lower score descriptors are provided in the assessment matrix in appendix A. The “10” score descriptor provides the ‘target’ for applications.

The Strategic and Economic cases each carry a double-weighting to recognise their relative importance over the other three ‘cases.’ The Economic Case was scored in two sections (each carrying equal weight). One section scored transport benefits, with the other scoring wider economic benefits (including levels of associated new or safeguarded employment and new development). The relative weighting to be used in assessment is shown at the foot of appendix A.

2.2 Round 1 Submissions

A summary of each scheme submitted for assessment in round one is presented first, followed by a summary of expressions of interest for round two.

A27 Corridor Improvement, Fareham

- Scheme located in central Fareham, at the northern area of the Gosport peninsula
- A27 Station Roundabout and A27 Gudge Heath Lane Interchange, junction and carriageway improvements: Station Roundabout: re-configured with multi-modal improvements; Gudge Heath Lane: improved to provide two lanes straight ahead, right turn lanes and a cycle-way;

Inter-connecting carriageway improved.

- Proposals viewed as integral to develop the Enterprise Zone and unlocks development around the Station

Asda Roundabout, Havant

- Dunsbury Hill Farm is a strategic employment site located between Havant and Waterlooville; currently constrained by Asda Roundabout
- Scheme involves the creation of a signalised, elongated roundabout at Purbrook Way/Hulbert Road junction
- Also includes associated safety improvements to the adjacent Purbrook Way/Park House Farm Road priority T-Junction
- Will improve east west links
- Scheme's outputs dependent on delivery of Dunsbury Hill Farm Link Road proposals

The Hard Interchange, Portsmouth

- The Hard lies between the Portsmouth Historic Dockyard and Gunwharf Quays
- The scheme is based upon proposals set out in The Hard SPD which involves replacing the existing bus interchange and improving the public realm, way-finding and cycle parking facilities
- The scheme will create certainty and accelerate the redevelopment of some under-utilised assets in the area

Portsmouth City Centre Transport Scheme

- A package of highway improvements, including reconfiguration of the highway network south of the M275, a pedestrianisation scheme and delivery of a new bus interchange on Station Street
- Also includes provision of new cycle parking and enhanced pedestrian and cycle crossings
- Investment is considered as critical to bring forward proposals for the Northern Quarter development scheme

Dunsbury Hill Farm Link Road, Havant

- Dunsbury Hill Farm, a major employment site in Havant, is greenfield land between Waterlooville and Leigh Park
- The scheme involves the provision of a transport package, including a link road from the B2150 Hulbert Road, to unlock the development of the site

Tipner – Horsea Island Bridge Link

- Tipner and Horsea Island/Port Solent area has been identified as one of six economic growth hubs key to the Solent City Deal
- Scheme proposes a bridge link to connect Tipner and Horsea Island, which is seen as critical to unlocking development potential of the area

Portsmouth Bus Rapid Transit and Highway Network Improvements Package

- A package of highway improvement measures and enhancement of bus stops on proposed BRT routes within Portsmouth
- Measures to enable the introduction of a number of new BRT routes across transport corridors within the South East Hampshire sub-region, providing access to/from Portsmouth and Southsea

Southampton City Streets, Station Quarter

- City Streets is a package of high value interventions to address the transport constraints on economic growth in Southampton city centre
- The bid comprises three 'locations' within the City Streets programme: Station Quarter North, Station Quarter South/Civic Centre Place and Albion Place
- Four potential investment scenarios considered: Station Quarter North, Station Quarter South, Integrated Station Quarter and Albion Place.

Cycling to Prosperity, Southampton

- Construction of a new cycle highway linking 3 University campuses with residential halls, the City Centre and Central Station
- The link provides a north-south spine route for cycle commuting into the city and completes the Itchen Bridge section of the Eastern Cycle Route
- The cycling scheme is part of a 10 year strategy published in April 2013, designed to increase cycling from 3% to 18% in Southampton

Section 3: Priorities

3.1 Transport Investment Priorities

| <i>Rank</i> | <i>Scheme Name</i> | <i>LTB Outturn*</i> | <i>Accumulated LTB Outturn Cost</i> | <i>Total Project Cost</i> | <i>Accumulated Total Project Cost</i> | <i>BCR Range</i> | <i>Circa £28.8m Pool</i> | <i>Circa £38.4 Pool</i> | <i>Circa £50m Pool</i> |
|--------------|---|---------------------|---|-------------------------------|---|----------------------|----------------------------------|-----------------------------|----------------------------|
| 1 | The Hard Interchange, Portsmouth | £5.33m | £5.33m | £7.53m | £7.53m | 2:1 – 3:1 | | | |
| 2 | Southampton Station Quarter | £9.00m | £14.33m | £23.86m | £31.39m | 4:1 – 5:1 | | | |
| 3 | A27 Corridor Improvements | £5.52m | £19.85m | £7.31m | £38.70m | 2:1 – 3:1 | | | |
| 5 | Portsmouth BRT and Highway Improvements Package | £11.71m | £31.56m | £16.32m | £55.02m | 4:1 – 5:1 | | | |
| 6 | Cycling to Prosperity, Southampton | £3.55m | £35.11m | £6.49m | £61.51m | 4:1 – 5:1 | | | |
| 4 | Portsmouth City Centre Transport Scheme | £6.75m | £41.86m | £25.37m | £86.88m | 4:1 – 5:1 | | | |
| 7 | Asda Roundabout, Havant | £4.34m | £46.20m | £5.77m | £92.65m | 3.5:1 – 4:1 | | | |
| Total | | | £46.20m | | £92.65m | | | | |

Section 4: Inter-LTB Transport Investment

This section sets out transport investment priorities beyond the scope of indicative LTB budgets and that are of wider geographic and economic significance.

TfSHIoW has identified the current performance of the M3 junction 9 interchange with the A34 as a significant transport constraint that not only inhibits the growth of the Solent economy, but also the economy of a far wider area. This constraint will become more marked in the future as a consequence of forecast growth in port-related traffic coupled with background traffic growth.

Hampshire County Council (as the Local Transport Authority) is working with the Highways Agency to identify a comprehensive solution to this constraint. The solution to this evidenced problem may be of significant cost, with delivery post 2020. The scheme, which is in the Enterprise M3 LEP/LTB area, therefore, is outside the scope of the next spending review period, and outside the scope of indicative LTB funding allocation. However, the Solent LTB is determined to flag this key constraint up now given the lengthy lead-in period for projects of this type, with DfT, to urge their support for further investigative work to identify an appropriate solution.

The constraint at Junction 9 forms part of the M1 to Southampton (A43, A34, M3, M27, A31 to Bournemouth) corridor, which will form part of the Highways Agency Route Based Strategy (RBS) for Highways Agency Area 3. The Solent LTB will seek to build support for a solution at Junction 9 of the M3 with Local Enterprise Partnerships and Local Transport Bodies along the Midlands to South East Dorset corridor, which would benefit from a comprehensive solution.

Allied to this, the Solent LTB welcomes the decision of the government in [Investing in Britain's Future](#) to commit funding (subject to finalisation of the options and consideration of business case and deliverability) for managed motorways on the M3 (south of Junction 9) and the M27. It is considered that both managed motorways and a comprehensive solution at M3 Junction 9 are both required to solve forecast transport constraints to economic growth, notwithstanding recent upgrades to rail freight capacity.

The Solent LTB will support Hampshire County Council and the Highways Agency in building the evidence to underpin the case for these schemes and harness wider support.

Appendix A: Multi-Criteria Assessment Matrix and Weighting

| Top, Mid, and Low Scores | Strategic Case | Economic Case: Transport Benefits, Wellbeing and Environment | Economic Case: Growth | Financial Case | Management Case | Commercial Case |
|--------------------------|--|---|--|--|---|---|
| Score: 10 | Well defined strategic case with a clear rationale and evidence for investment in the transport network; Makes major contributions to the LTA policies and the LEP's growth agenda; Significantly tackles evidenced transport problems that are acting as a barrier to economic growth, new development or the safeguarding of employment; The project does deliver significant additionality. | BCR expected to be greater than 4; Value of benefits is at least £5 million (and limited inaccuracies in the assessment); Significant impact on end-to-end journey time, journey time reliability, cost of travel, safety, and network resilience (relative to the focus of the project); The project results in significant benefits for wellbeing (severance, physical activity, injury or deaths, crime, accessibility) and/ or environment (carbon reduction, air quality, noise, natural and/or urban environment) relative to the focus of the project. | The project results in significant benefits for the economy (jobs, new development, GVA), supported by a very strong economic and market evidence base; The project is expected to achieve excellent value for money in terms of gross cost per outputs created; Significant wider economic benefits clearly demonstrated. | Greater than 30% local contribution; No state aid issues; Other funds (third party or applicant's own resources) confirmed; There is no overall cost risk. | Strong management arrangements; Detailed understanding of all potential risks for the project along with fully considered mitigation measures that will ensure the delivery of the project to programme; The project will be publically acceptable, has a realistic delivery timetable and has been successfully delivered elsewhere. | Ratio of public sector investment v/s direct private sector investment is at least 1:4. |
| Score: 5 | Adequately defined strategic case with a clear rationale for investment in the transport network and notable contributions to the LTA policies and the LEP's growth agenda; Tackles evidenced transport problems that are acting as a barrier to economic growth, new development or the safeguarding of employment; The project | BCR is expected to be between 1.5 and 2; Value of benefits is at least £2 million (with only marginal inaccuracies in the assessment); Adequate impact on end-to-end journey time, journey time reliability, cost of travel, safety and network resilience (relative to the focus of the project); The project results in adequate benefits for wellbeing | The project results in some benefits for the economy (jobs, new development, GVA); The evidence presented needs to be strengthened; The project doesn't achieve good value for money in terms of gross cost per outputs created; Wider economic benefits are demonstrated. | 25% local contribution; Other funds (third party or applicant's own resources) are confirmed; No state aid issues; The overall cost risk is medium. | Level of residual risk associated with delivery of such projects is typical and manageable; Some unknown factors which may impact on the delivery of the project to programme. The project is likely to be publically acceptable; The delivery timetable is ambitious; Similar projects have had varying levels of success elsewhere. | Ratio of public sector investment v/s direct private sector investment is at least 1:1. |

| | | | | | | |
|-----------------|--|--|--|--|--|--|
| | does deliver some additionality; There is a need to strengthen the evidence base to support the arguments. | (severance, physical activity, injury or deaths, crime, accessibility) and/ or environment (carbon reduction, air quality, noise, natural and/or urban environment) relative to the focus of the project. | | | | |
| Score: 0 | Poorly defined strategic case: no evident need for investment in the transport network and no contributions to LTA policies and the LEP's growth agenda; The project does not tackle evidenced transport constraints and does not deliver any additionality. | BCR is expected to be less than 1 (or significant inaccuracies in the assessment); No impact on end-to-end journey time, journey time reliability, cost of travel, accessibility, safety and network resilience (relative to the focus of the project). The project results in no benefits for wellbeing (severance, physical activity, injury or deaths, crime, accessibility) and/ or environment (carbon reduction, air quality, noise, natural and/or urban environment) relative to the focus of the project. | The project results in disbenefits for the economy (measured as job losses); or there is no economic / market evidence to support the stated impacts; No wider economic benefits demonstrated. | Source of Local Contributions is not secure; State aid non-compliance issues; The overall cost risk is high. | Insufficient management arrangements in place; Incomplete risk assessment or significant residual risks associated with the delivery of project to programme; lack of engagement / commitment from the owners or no consultation has been undertaken or planned; The project is not expected to be publically acceptable, does not have a realistic delivery timetable or is not feasible. | Scheme levers in no private sector investment. |
| Weights | 28.57% | 14.29% | 14.29% | 14.29% | 14.29% | 14.29% |