

## HAMPSHIRE COUNTY COUNCIL

### Decision Report

<b>Decision Maker:</b>	Executive Member for Environment and Transport
<b>Date:</b>	2 April 2013
<b>Title:</b>	North Hampshire Transport Evidence Base- Update
<b>Reference:</b>	4816
<b>Report From:</b>	Director of Economy, Transport & Environment

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#### 1. Executive Summary

1.1. The purpose of this paper is to obtain agreement to development of a transport evidence base to support major transport scheme development within the Hampshire area of Enterprise M3 Local Enterprise Partnership (LEP).

1.2. This paper seeks to:

- set out progress on the scoping of an evidence base for North Hampshire;
- consider the finance and procurement for the project and the impact on the budget; and
- outline the proposed way forward for this work.

#### 2. Previous relevant Executive Member Decisions

2.1. At his decision day on 11 September 2012, the Executive Member for Environment and Transport considered a report on the 'North Hampshire Evidence Base' and agreed the following recommendations:

- a) *That approval be given to the outline scope and timescales for the development of a more strategic transport evidence base covering the Enterprise M3 LEP area.*
- b) *That authority be given to undertake early engagement with key stakeholders on the more detailed scoping and funding required to develop the evidence base*

2.2. At his decision day on 5 March 2013, the Executive Member considered a report on Developing Major Transport Schemes in Hampshire and agreed the following recommendations:

- a) *That, in the context of the Hampshire Local Transport Plan (2011), the list of potential major transport schemes for Hampshire (Appendix 1) be approved as a 'development pool' of schemes for which further work will be undertaken to ensure readiness to maximise future funding opportunities.*
- b) *That authority be given for the commissioning of data collection for the North Hampshire Area as a basis for the accelerated development of the evidence base.*

### **3. Contextual Information**

3.1 Since September 2012, the following work has been undertaken that informs the development of the transport modelling evidence base for North Hampshire:

- a study to inform the prioritisation of major schemes transport schemes in the Hampshire area of the M3 LEP area;
- further engagement with key stakeholders, particularly through the M3 LEP Transport Action Group; and
- development and submission of the assurance framework for the proposed Enterprise M3 LEP area Local Transport Body (LTB).

#### **Enterprise M3- Hampshire Major Scheme Prioritisation Study**

3.2 A study has been undertaken that informs the prioritisation of major schemes within the Enterprise M3 LEP area. The results of this study are set out in more detail in the 'Developing Major Transport Schemes in Hampshire' Executive Member Report, 5 March 2013, but in summary included:

- assessing the currently available transport, economic, social & environmental evidence base;
- identifying potential major schemes of a forecast value of £2 million or more, based on current policy documents, particularly the current Local Transport Plan and relevant district & borough statements;
- setting out key objectives to support major scheme development, linked to current policy priorities; and
- appraising potential schemes against key objectives, and then through a standard early appraisal process, based on the Department for Transport Early Assessment and Sifting Tool (EAST).

3.3 The study included two stakeholder workshops on 11 September and 13 December 2012, and were attended by representatives from business, the Enterprise M3 LEP, district/ boroughs, Highway's Agency, Network Rail, and the bus industry.

- 3.4 Results of the work enabled identification of a 'development pool' of potential major schemes in the Enterprise M3 area of Hampshire for development to ensure readiness to maximise future funding opportunities over the next few years. The full development pool list is outlined in the 5 March 2013 report. It is useful to note from this that the geographical location of 'development pool' schemes is not uniform, with a greater number of schemes located in the North and North-Eastern area of the Enterprise M3 LEP area of Hampshire. It is also acknowledged that schemes in the pool are in various stages of development in terms of feasibility.

### **Engagement of Stakeholders**

- 3.5 Since September the County Council has maintained an ongoing dialogue with key stakeholders regarding the development of a more robust evidence base for North Hampshire and potentially the whole of the Enterprise M3 LEP area. This has been through two meetings of the Enterprise M3 LEP Transport Action Group, whose membership includes the Enterprise M3 LEP, Department for Transport, Network Rail, Highways Agency and a number of private sector business partners.
- 3.6 The County Council has presented an assessment, undertaken by independent consultants, of model availability in Hampshire and beyond, to stimulate debate and help achieve a way forward. This set out the capabilities, benefits, limitations, timeframe and cost of different options, demonstrating a progression from the status quo. The Transport Action Group agreed there is a need to consider developing a more comprehensive and consistent economic evidence base, that will allow for the preparation of future detailed transport business cases. The LEP indicated that they view a strong evidence base as essential to support their Strategy for Growth. There was also support of the County Council's desire to demonstrate that we have established processes to ensure that the modelling and appraisal of schemes is sufficiently robust.
- 3.7 Surrey County Council is also represented on the Transport Action Group and has been invited to work with Hampshire to develop such an evidence base into Surrey to cover the whole of the Enterprise M3 LEP area. It agreed to consider the merits of this approach to developing a robust evidence base for the Enterprise M3 LEP area, but as yet is not in a position to report back on this.

### **Enterprise M3 LEP Local Transport Body**

- 3.8 The Government has announced an indicative funding allocation of £36.4m to Enterprise M3 LTB for the 2015-19 period, to deliver major transport infrastructure schemes. The two County Council's and the LEP have also produced a draft Assurance Framework for the LTB, that sets out how the LTB will operate. This confirms that:
- schemes should be £2 million+;
  - scheme business cases should be developed in line with WebTAG guidance; and

- business cases will be independently audited.

3.9 By July the LTB will develop a prioritised list of transport schemes for the whole LEP area, within the available funding envelope of £36.4 million, +/- 30% of this figure. The agreed schemes will then need to have business cases developed, so that the LTB is able to formally allocate funding to a final list of schemes that will give enough time to enable full design of initial schemes to be progressed in advance of the start of construction from April 2015. Although the precise timescale for this has yet to be agreed it is anticipated that it will need to be finalised by mid 2014. This process will then roll forward throughout the 4-year funding period. Having a fully developed Evidence Base to help inform this process will prove significantly beneficial.

#### **4. Finance and procurement**

4.1 Following authority given for the commissioning of data collection for the North Hampshire Area by the Executive Member on 5th March, the procurement process for this element of evidence base development has commenced, with an estimated value of £300,000 to £400,000. The forecast cost for construction of the evidence base given the current scope is estimated at £500,000 to £600,000. The forward transport capital programme agreed by the Executive Member for Environment and Transport includes provision for major transport scheme development and bid preparation in the 2013/14 year in which this cost can be accommodated. It is planned to use the IESE Highways Professional Framework for undertaking procurement for the evidence base, as this is considered the most suitable framework for this work.

4.2 A comprehensive evidence base for North Hampshire will put the County in a much stronger position to bid for monies for major transport schemes in the area. A key source of funds for delivery of major transport schemes will be the major transport scheme fund, to be prioritised by the LTB. However, it is recognised that there may be other funding pots made available over the next few years such as local Pinch Point or via the LEP such as the Growing Places Fund where business cases may also need to be developed.

#### **5. Stakeholder Engagement**

5.1 It is proposed for development of the evidence base transport model that a technical working group is set up. It is proposed that representatives of key partner organisations, and in particular the Highway's Agency and the public transport industry are invited to join this group.

#### **6 Future direction**

6.1 Given the current focus on development of major transport schemes to support economic growth, the devolving of monies to develop major schemes over £2 million in value to the Enterprise M3 LTB, and the subsequent need

to develop robust business cases to support new major schemes, there is considered to be a need to develop a new evidence base for the North Hampshire area, which it is proposed will be a multi-modal transport and economic model.

- 6.2 The approach to development will draw on Hampshire's experience of developing the Sub-regional Transport model for South Hampshire, including relevant model parameters related to the demand model and transport network structure. Best practice can also be gained from the development of the South Hampshire Local Economic Impact Model. However, it is recognised that the North Hampshire geographical context is different to that in South Hampshire, and that factors such as the distinctive nature of urban areas and the greater proximity to London will require careful consideration in finalising the model specification.
- 6.3 To ensure that the evidence base is in place to support funding decisions by the LTB from mid- 2014 onwards, its development is seen as required within the 2013/14 financial year, including the necessary transport survey work planned for early summer 2013. In light of these time constraints, and given that the only current identified funding is from Hampshire County Council, it is thought necessary to target resources on developing the evidence base in the Hampshire area of the Enterprise M3, and initially concentrating on those areas of North Hampshire where transport problems and barriers, along with appropriate interventions, have been identified through the Major Scheme Prioritisation Study work. This is expected to be extended to include a wider area at a later date, should this be required to support Local Transport Body work, or for other reasons. The model specification will therefore need to ensure that up-scaling could be facilitated.
- 6.4 To meet the tight timescales for procurement of transport survey work for early summer 2013, which is needed to support the acceleration of the evidence base development work over the next year, authority was given at the 5 March Executive Member Decision Day for the commissioning of data collection for the North Hampshire Area. This report seeks authority to develop the evidence base using the survey data collected at this time.

## **7 Recommendations**

- 7.1 That authority be given to progress the construction of the transport modelling evidence base required to support the business case development for Major Schemes in the Hampshire area of the Enterprise M3 Local Enterprise Partnership, based on the principles outlined in this report.
- 7.2 That approval to procure and spend be given in respect of construction of the transport modelling evidence base under the IESE Highways Professional Service Framework, with a total estimated value of £500,000 to £600,000, which will be funded by Hampshire County Council.

- 7.3 That the Director of Economy, Transport and Environment be given delegated authority to agree the details of the tender scope, including the price/ quality split and any variations to the items approved referred to at paragraph 1.2 of the report.

**CORPORATE OR LEGAL INFORMATION:****Links to the Corporate Strategy**

<b>Hampshire safer and more secure for all:</b>	no
Corporate Improvement plan link number (if appropriate):	
<b>Maximising well-being:</b>	yes
Corporate Improvement plan link number (if appropriate):	
<b>Enhancing our quality of place:</b>	yes
Corporate Improvement plan link number (if appropriate):	

**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.)**

DocumentLocation

None

## **IMPACT ASSESSMENTS:**

### **1. Equalities Impact Assessment:**

- 1.1 The proposals in this report have been developed with due regard to the requirements of the Equality Act 2010, including the Public Sector Equality Duty and the Council's equality objectives. The website contains a summary [assessment of the impacts](#) on Developing Hampshire's Highway Network and Transport Systems.
- 1.2 It is considered that the issues covered by this report will not have impacts requiring further specific actions by the Council above those already established in its existing policies and working procedures.

### **2. Impact on Crime and Disorder:**

- 2.1. The proposal will have minimal impact on crime and disorder.

### **3. Climate Change:**

- 3.1. How does what is being proposed impact on our carbon footprint / energy consumption?

The evidence base will be used to assess and develop major transport schemes within the Hampshire area of the M3 LEP, which in turn will support a sustainable transport system and underpin sustainable growth.

- 3.2. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

New infrastructure will be developed and delivered in accordance with design standards that provide resilience to longer-term climate change impacts.