

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Environment and Transport
Date:	12 March 2019
Title:	Environment & Transport Capital Programme Update, including Transforming Cities Fund Programme
Report From:	Director of Economy, Transport and Environment

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1. Recommendations

- 1.1 That progress on Tranche 1 of the Transforming Cities Fund bid for Southampton and Portsmouth is noted, with a further report on the programme, detailing progress towards Tranche 2, to be received by the Executive Member for Environment and Transport following further Government announcements.
- 1.2 That, subject to receipt of funding, approval is given for adjustments to the Economy, Transport, and Environment Capital Programme to enable the following Transforming Cities Fund (TCF) Tranche 1 schemes to be added to the 2018/19 Capital Programme:
 - Further deployment of real time information (RTPI) at bus stops on bus corridors in Havant and Waterlooville (£398,000, to be entirely funded from TCF).
 - Test Lane Cycle Route (£302,500, of which £223,000 will be funded from local contributions and a further £79,500 from TCF).
 - Redbridge Causeway to Eling Pedestrian and Cycle improvements (£750,000, to be entirely funded from TCF).
 - Hut Hill Cycle Route (£1,140,000, of which £770,000 will be funded from TCF and the remainder from other external sources).
- 1.3 That authority be delegated to the Director of Economy, Transport and Environment, in consultation with the Executive Member for Environment and Transport and the Head of Legal Services, to agree and enter into contractual and other arrangements as necessary to facilitate joint working to develop a Strategic Outline Business Case for the Transforming Cities

Fund with Portsmouth City Council and similarly with Southampton City Council.

- 1.4 That it is noted that the Tranche 1 scheme submission: Enhanced busway extension (retention of Rowner Road bridge, Gosport) is already included in the capital programme as part of the Eclipse Busway Phase 1 Completion scheme and that, subject to receipt of funding, the funding allocation for the scheme will be amended to reflect the addition of £1.4million of TCF.
- 1.5 That approval is given to vire £500,000 of 2018/19 revenue funding to capital funding to the Eclipse Busway Phase 1 Completion scheme, with the funding allocation for the existing scheme amended to reflect this funding.
- 1.6 That the revised value of the proposed air quality speed limit reduction schemes along the A331 and A339, from £378,000 to £20,000, is noted.

2. Executive Summary

- 2.1 This paper provides an update and recommendations on changes required across the Economy, Transport, and Environment (ETE) capital programme for 2018/19 and 2019/20, in part due to increased likelihood of funding of schemes through the Transforming Cities Fund (TCF). In addition, the paper takes the opportunity to provide an update on progress made with the Department for Transport's Transforming Cities Fund and recommends that arrangements are put in place to enable joint working with Portsmouth City Council and Southampton City Council on the development and delivery of schemes.

3. Capital Programme Update

- 3.1 This section of the report details proposed changes to the ETE capital programme from the position detailed in the "ETE Proposed Capital Programme 2019/20, 2020/21 and 2021/22" report, and the "ETE Capital Programme Monitoring Report", which were both agreed at Executive Member for Environment and Transport Decision Day on 15 January 2019.
- 3.2 Due to the potential success of Tranche 1 funding bids for the TCF, and with the requirement to initiate spending of the funding in 2018/19 (see lower in report for further details), there is a requirement to add those Tranche 1 schemes not already included in the capital programme.

It is therefore recommended that, subject to receipt of funding, approval is given for adjustments to the Economy, Transport, and Environment Capital Programme to enable the following Transforming Cities Fund (TCF) Tranche 1 schemes to be added to the 2018/19 Capital Programme:

- Further deployment of real time information (RTPI) at bus stops on bus corridors in Havant and Waterlooville (£398,000, to be externally funded from TCF).

- Test Lane Cycle Route (£302,500, of which £223,000 will be funded from local contributions and a further £79,500 from TCF).
- Redbridge Causeway to Eling Pedestrian and Cycle improvements (£750,000 to be entirely funded from TCF).
- The Hut Hill Cycle Route (£1,140,000, of which £770,000 will be funded from TCF and the remainder from other external source).

- 3.3 It should be noted that the Tranche 1 scheme submission: Enhanced busway extension (retention of Rowner Road bridge, Gosport) is already included in the capital programme as part of the Eclipse Busway Phase 1 Completion scheme and that, subject to receipt of funding, the funding allocation for the scheme will be amended to reflect the addition of £1.4million of TCF funding.
- 3.4 Further, due to the potential success of Tranche 1 funding bids for the TCF, in particular for funding towards the Eclipse Busway Phase 1 Completion scheme, as well as the requirement to move forward with Tranche 1 schemes earlier than originally anticipated, it is proposed that the revenue provision made to further bid for and develop this programme of work will now be better utilised to progress the capital element of the Eclipse Busway Phase 1 Completion scheme.
- 3.5 It is therefore recommended that approval is given to vire £500,000 of revenue funding to capital funding for the Eclipse Busway Phase 1 Completion scheme.
- 3.6 As detailed in the Executive Member for Environment and Transport paper – “Project Appraisal: Eclipse Busway: Completion of Phase 1” (17 July 2018), Hampshire County Council approved the investment of up to £2.5million internal funding in the event that further grant funding cannot be secured in order to help bring the scheme forward. The TCF funding and virement would be considered a new source of funding, with the Hampshire County Council contribution reduced accordingly.
- 3.7 As detailed in the Cabinet paper, “Revenue Budget and Precept 2019/20” (14 February 2019), the capital programme value of the ETE Botley Bypass scheme (Phase 1, Phase 2 and Underpass) has increased to £31.441 million. The 2019/20 ETE capital programme has therefore been amended accordingly.
- 3.8 The ETE Proposed Capital Programme 2019/20, 2020/21 and 2021/22 report (15 January 2019) detailed the entry of six externally-funded schemes into the ETE 2019/20 capital programme as part of Hampshire County Council’s response to the Department for Environment, Food and Rural Affairs and DfT’s UK plan for tackling roadside NO₂ concentrations. Since the writing of the report it has been agreed that the scope of two schemes (Rushmoor: A331 NO₂ Speed Reduction from 70mph to 50mph, and Basingstoke: A339 NO₂ Speed Reduction from 70mph to 50mph) will be

significantly reduced, resulting in the value of each of the schemes reducing from £378,000 to around £20,000. The ETE 2019/20 capital programme will be adjusted accordingly, with the two schemes undertaken as minor works.

Update on Transforming Cities Fund

4. Contextual Information

- 4.1 As first detailed in the November 2018 Capital Programme Monitoring Report, and more recently in the January 2019 Capital Programme Monitoring Report, the DfT has accepted separate Expressions of Interest for the Portsmouth City Region and Southampton City Region as two of the twelve cities to be included in the programme. Details of the respective Expressions of Interest can be found at these links. [Portsmouth TCF](#). [Southampton TCF](#).
- 4.2 The Department for Transport's (DfT's) Transforming Cities Fund (TCF) forms part of the Government's National Productivity Infrastructure Fund (NPIF) and Industrial Strategy. The aim of the fund is to improve productivity by improving connectivity within city regions with a working day population in excess of 200,000; specifically connecting city centres to suburbs. Setting aside separate arrangements for cities under mayoral jurisdiction and taking into account enhancements announced in the Autumn budget, the TCF comprises £1.28billion capital, available for 12 city regions to be spent between 2018/19 and 2022/23. This is broken down into Tranche 1 (up to £60million) available for spend on 'early wins' commencing in 2018/19, and Tranche 2 (the remainder), subject to co-development and submission of a draft Strategic Outline Business Case by 20 June 2019, to be finalised by 28 November 2019. Further information on the Government's ambition for TCF was published on 13 February 2019 and can be found at this link: [DfT website](#).
- 4.3 Acceptance onto the Transforming Cities Fund programme in two of the 12 city regions represents a very significant opportunity for the County Council to enhance public transport, and pedestrian and cycle facilities, and to encourage sustainable access to existing and future planned development. For Hampshire, this includes potential infrastructure measures within the boroughs of Fareham, Gosport, and Havant in the Portsmouth city region, and Eastleigh, New forest (part), Test Valley (part) and Winchester (part) within the Southampton city region. In addition to the potential for accessing TCF funding, these opportunities also require partnership working with the bus operators and other stakeholders that have the potential to leverage significant additional investment (such as enhanced vehicle fleets) that could provide important and necessary local contributions.
- 4.4 For the Portsmouth city region, the Expression of Interest established by the city and county councils to develop the South East Hampshire Rapid Transit

(SEHRT) proposals. The bid for the Southampton city region was made solely by the City Council, although to qualify for TCF funding (workday population in excess of 200,000), a basic requirement was connectivity to suburbs in Hampshire including Eastleigh, Totton, Romsey, Hamble and Hedge End. The City Council has therefore invited Hampshire County Council to participate in co-development of proposals along 7 strategic cycle and bus corridors into the city.

- 4.5 In both cases it will be necessary for the County Council to develop joint working arrangements with the respective city councils to submit business cases and ensure that local resources are shared on an equitable basis.

Tranche 1 submissions

- 4.6 Following publication of guidance by DfT in December for Tranche 1 'early wins', bids were submitted for both city regions on 4 January 2019. Details of each bid can be found at the following links: [Portsmouth bids](#), [Southampton bids](#). In summary, the elements of each bid that relate to Hampshire comprise:

- Enhanced busway extension (retention of Rowner Road bridge, Gosport);
- Further deployment of real time information at bus stops on bus corridors in Havant and Waterlooville; and
- Further development of three of the Cycle Corridors as set out in the Southampton Cycle Network (SCN) between Southampton, the New Forest, and Chandlers Ford:
 - Corridor 1a Test Lane Cycle Route
 - Corridor 2 Hut Hill Cycle Route
 - Corridor 1 Redbridge Causeway to Eling Pedestrian and Cycle improvements

- 4.7 It is expected that an announcement will be made by DfT on funding allocations for Tranche 1 bids in March this year. However, it should be noted that the funding requirements are likely to include a commitment to spend during this financial year.

- 4.8 The enhanced busway extension was the subject of a Project Appraisal for the Eclipse Busway Phase 1 Completion Scheme update, which was agreed by the Executive Member for Environment and Transport on 13 November 2018 and is currently in the ETE capital programme. The Project Appraisal will be concluded once a funding decision by the DfT is known.

- 4.9 Should funding be made available for the real time information proposal, delivery and a spending commitment are covered under existing arrangements available to the County Council to procure and spend, as

determined at the Executive Member for Environment and Transport Decision Day of 19 January 2017.

- 4.10 In the event that funding is made available to Southampton City Council for the proposed pedestrian and cycle measures in Hampshire, it will be for the City Council to discharge its responsibilities to the DfT in relation to a spending commitment during the current financial year. However, as these are extensions of routes that start within the city, there is no immediate requirement for a spending commitment for the works in Hampshire. Should funding become available, a Project Appraisal will be prepared at the appropriate time and this will include necessary legal arrangements to secure the funding from the City Council.

Tranche 2 Submissions

- 4.11 Even in advance of guidance from the DfT on the form and timing of the Strategic Outline Business Case submission for Tranche 2, development work was being progressed by the County Council, in collaboration with both city councils. The guidance, published on 13 February 2019, sets out the requirements for a draft Strategic Outline Business Case to be submitted by 20 June 2019, followed by a finalised Strategic Outline Business Case by 28 November 2019.

Portsmouth City Region

- 4.12 For the Portsmouth City Region, the proposal is to develop the South East Hampshire Rapid Transit (SEHRT) network, building on the success of the existing Eclipse busway, the Star corridor linking Portsmouth to Waterlooville, the Tipner Park and Ride facility and The Hard interchange. The network will provide facilities for bus-based rapid transit on corridors into the city centre from Gosport, Fareham, Waterlooville, Havant and Cosham. Significantly, the proposal also includes improved bus interchange with waterborne and other forms of public transport, including at Gosport ferry terminal, The Hard, Clarence Pier, and at Ryde Esplanade, Isle of Wight.
- 4.13 The work to support the TCF bid comprises the development of infrastructure packages based upon the rapid transit corridors identified in Appendix 1. The purpose of providing a robust basis for the Strategic Outline Business Case submission is essential to understand the present-day costs and risks within the context of the TCF requirement.
- 4.14 The aim is to ensure that rapid transit is easily recognisable to customers, irrespective of whether the location is inside or outside the city boundary and irrespective of the service operator.
- 4.15 Whilst the focus of the work packages will be to identify opportunities for bus rapid transit measures, they will also need to address existing transport issues such as road safety, highway capacity, local bus access, provision for pedestrians, cyclists and local access, as well as future development need.

Southampton City Region

- 4.16 The Southampton City Region proposal comprises improvements to key radial bus corridors, improvements to cycle infrastructure, and public realm enhancements to reduce the dominance of the car within the heart of the city centre, making space for pedestrians, cyclists and buses. The key corridors have been identified to ensure connectivity and cohesion between the employment, residential, and economic drivers within the city region. On completion, the network will provide enhanced access from the city for bus and cycle travel to: Totton and Waterside to the west; Chandlers Ford and onwards towards Winchester in the north-west; Eastleigh Town Centre and the Strategic Growth Option as set out in the emerging Eastleigh Local Plan in the north-east; and Hedge End, Botley, and the Hamble Peninsula in the east.
- 4.17 The opportunities for infrastructure measures in Hampshire have been identified in work packages, as shown in Appendix 1. The purpose of the current work programme is to provide a robust basis for the Strategic Outline Business Case submission.

5. Finance

- 5.1 The DfT has announced its commitment to £1.28 billion capital spend over the period to 2023. The allocation by the DfT of the available funding will be to “packages of investment for each city region which offer good value for money and are deliverable within the time frame”. Each city region named in the TCF programme is eligible and has pre-qualified to access the fund, subject to meeting the above criteria.
- 5.2 For the County Council, this represents a very significant opportunity to attract much needed infrastructure funding for the Hampshire area of both city regions. Working in collaboration with the respective city councils, the County Council has been able to commence work using existing resources to develop well thought out proposals for inclusion within the draft Strategic Outline Business Case submissions in June. It is expected that County Council financial resources will be required during 2019/20 and can be met through planned resource allocations.
- 5.3 It should be noted that the DfT has indicated a willingness to co-develop the proposals, and to assist has allocated £50,000 to each city region.

6. Equalities

- 6.1 The provision of improved accessibility by public transport, including the whole end to end journey on foot, bicycle, or other transport mode can help deliver easy access to essential services, including employment, education and health facilities.

- 6.2 The proposal will have a specific focus upon customer experience by enhancing the quality of the passenger waiting facilities and information and improving the quality of the vehicle fleet.

7. Future Direction

- 7.1 In the Portsmouth city region the Transforming City Fund is seen as a very important opportunity and next step that builds upon the success of measures delivered to date to create a network that will provide a catalyst for further measures towards a comprehensive rapid transit facility across the subregion.
- 7.2 Likewise in Southampton, it is recognised that it will be necessary to prioritise the radial routes into and out of the city to focus investment and achieve impact through deliverable investment. This will be further developed by Southampton City Council, in partnership with the County Council in finalising the Southampton Public Transport Strategy.
- 7.3 Whilst there is no direct connection between the infrastructure measures currently being developed for each city region, there are likely to be opportunities for joint working and collaboration between the city regions that will be explored and will build upon present relationships through Solent Transport.

CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

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. 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:

1.3. The recommendations of this report have been assessed as neutral for people with protected characteristics, as they largely concern internal procedures and arrangements with other authorities to facilitate further work and will not directly affect service users.

2. Impact on Crime and Disorder:

2.1. The proposals do not have any direct impact on Crime and Disorder.

3. Climate Change:

a) How does what is being proposed impact on our carbon footprint/energy consumption?

Implementation of these measures, designed to promote active travel and mass transit can help directly reduce carbon emissions and energy consumption from personal, motorised travel.

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

The proposals if implemented will improve choice in travel modes that will enable future generations to make travel choices that are more sustainable and therefore increase resilience to the longer-term effects of climate change.