

# HAMPSHIRE COUNTY COUNCIL

## Decision Report

<b>Decision Maker:</b>	Executive Member for Environment and Transport
<b>Date:</b>	19 September 2017
<b>Title:</b>	M27 Junction 9 and Parkway South Roundabout Scheme Whiteley
<b>Report From:</b>	Director of Economy, Transport and Environment

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### 1. Executive Summary

1.1. The purpose of this paper is to confirm the preferred Scheme for the M27 Junction 9 and Parkway South Roundabout improvements (“the Scheme”) and ensure that the Scheme can be progressed to a point where a Project Appraisal can be submitted. This report seeks approval to progress all necessary design and development work for the Scheme, including approval for associated activities such as advance works, enabling works, land acquisition and the progression of appropriate orders, notices or statutory procedures. The report also seeks approval to enter into financial and legal agreements with Highways England, in order to secure funding for the Scheme and its implementation on part of the Highways England network.

1.2. This paper will:

- Set out the background to the Scheme;
- Consider the finance for the Scheme;
- Look at key issues for the Scheme; and
- Consider the future direction of the Scheme.

### 2. Introduction

2.1. The Scheme is needed to improve traffic flow and journey times in the M27 Junction 9 and Parkway South area, Whiteley. Both junctions currently experience severe congestion in the morning and evening peak periods and traffic queuing on the off-slip roads at Junction 9 causes operational and safety issues on the M27 mainline. The M27 is a critical, strategic corridor in southern Hampshire which helps to keep the economy moving, but at peak times queues caused by congestion at Junction 9 can extend back several km along the motorway. Furthermore, in the morning peak hour, congestion at Parkway South roundabout can block back to Junction 9, while in the

evening peak hour congestion at Junction 9 frequently blocks back to the Parkway South roundabout.

- 2.2. This daily congestion is hindering the implementation of 3,500 new homes and three schools in the allocated 'North Whiteley' development, which would be predominantly accessed via Whiteley Way and M27 Junction 9. The congestion is also detrimentally impacting businesses in two large regionally significant adjacent Business Parks – Solent and Segensworth, located to the north and south of Junction 9 respectively. The congestion is deterring the uptake of vacant sites and is now threatening the retention of existing businesses, due to the access issues.
- 2.3. The Scheme developed by the County Council will provide a significant increase in traffic capacity at both junctions, which forecasts suggest will be sufficient to alleviate the existing congestion issues and provide spare capacity to accommodate traffic associated with future developments. The Scheme is shown on the plan included at Appendix 1 and is summarised as follows:
- At Junction 9 the Scheme involves carriageway widening which will be undertaken to provide an additional lane on both motorway off-slip roads, the westbound on-slip road and the Whiteley Way approach, together with additional lanes on the northern and southern sections of the circulatory carriageway.
  - At Parkway South roundabout, a new larger fully-signalised roundabout will be provided, with carriageway widening to provide additional traffic lanes on all approaches and the circulatory carriageway.

### **3. Contextual Information**

- 3.1. In late 2015, Highways England withdrew funding for its improvement Scheme at M27 Junction 9, following budget cuts to Schemes which were not underway. The Highways England Scheme was limited to widening of the off-slips and did not address the capacity problems on the roundabout circulatory carriageway, or on the local road network. Furthermore the Scheme was assumed to be committed as part of work associated with the 'North Whiteley' development, so the withdrawal of funding has caused issues in relation to the delayed completion of the North Whiteley planning process.
- 3.2. Around the same time the County Council commenced work to develop a feasibility improvement Scheme for the Parkway South roundabout. This junction was identified for improvements by the promoters of the 'North Whiteley' development, but the Country Council considered that the proposed improvements did not offer sufficient future capacity and elected to develop its own Scheme to fully address the forecast congestion issues. A financial contribution from the 'North Whiteley' developers towards this junction is to be taken instead and secured via a Section 106 agreement. This contribution forms a critical component of the funding for the Scheme now proposed.

- 3.3. Following discussions with Highways England, the County Council submitted a bid to the Highways England Growth and Housing Fund (GHF) in March 2016, for funding towards improvements to the Parkway South roundabout and M27 Junction 9. Highways England later approached the County Council and asked for a review of the original Highways England Scheme for Junction 9 and that it be revised as necessary to improve traffic flow across the whole junction. The County Council prioritised work to review the Highways England design and undertook further traffic modelling to ensure that the Scheme benefits are optimised and that issues on both the strategic and local networks are addressed by an improved and more effective Scheme.
- 3.4. Bid information was re-submitted during late summer 2016 and the resulting new preferred Scheme developed by the County Council provides enhanced capacity and safety improvements at both the Junction 9 and Parkway South roundabouts, which are very much linked in operational terms.
- 3.5. Subsequent to this the County Council has undertaken a substantial amount of further Scheme appraisal work over a relatively short period of time at the request of Highways England, in order to satisfy the rigorous requirements of the Highways England bid assessment process. This has included traffic modelling assessments, economic and cost/benefit appraisal and environmental assessment work. The outcome of this was that the Scheme was found to have a 'very high' value for money, and was recommended for approval. Officers from the County Council attended the Highways England Value Management workshop for the Scheme in April 2017 and were formally notified of the decision to award Highways England funding to the Scheme in July 2017, subject to conditions. Full details of the Scheme financials are set out in Section 4 of this report.
- 3.6. In tandem with the above, the Scheme design has been progressed to an appropriate level to ensure greater certainty over the cost estimate and to gain a greater understanding of several of the key issues associated with the Scheme. This has ensured that now that Highways England funding for the Scheme has been confirmed, the County Council will be in a position to progress and implement the Scheme in as short a timescale as possible. Further details on key issues for the Scheme going forward are provided in Section 7 of this report.

#### **4. Finance**

- 4.1. The Scheme has been value engineered to reduce costs as far as possible. The cost estimate that was submitted as part of the Highways England bid appraisal process is £19.6million, which includes an allowance for Risk and Optimism Bias, as appropriate for the current level of design. However, some uncertainty still remains regarding final costs. Any change in the overall scheme value will be reported to the Executive Member for Environment and Transport by way of a final Project Appraisal, which will also provide an assessment of value for money once cost estimates have been finalised.

Following the award of funding by Highways England the breakdown of funding for the Scheme is as follows:

- £9.9million to be provided from the Highways England Growth and Housing Fund (GHF);
- £3million to be provided from the Highways England Congestion Relief Fund;
- £4.2million to be provided from future Section 106 receipts from the 'North Whiteley' development;
- £1.844million to be provided from existing Section 106 receipts allocated and held by the County Council; and
- £0.656million to be provided from Local Transport Plan (LTP) funding held by the County Council.

4.2. The conditions stipulated on the Highways England funding offer letter are as follows:

- The level of GHF grant is to be reduced in line with any cost savings achieved;
- A final detailed Scheme design is to be agreed that is acceptable to Highways England; and
- A funding agreement is to be agreed between Highways England and the County Council.

4.3. As part of the bid appraisal process, Highways England produced a business case for the Scheme (largely using information submitted by the County Council), which has been made available to the County Council for the purposes of drafting the funding agreement for the Scheme.

## **5. Third Party Land**

5.1. In order to construct the Scheme some third party land needs to be acquired or dedicated as public highway in the vicinity of the Parkway South roundabout. The ownership of some parcels of Highways England land adjacent to M27 Junction 9 will also need to be transferred to the County Council.

5.2. Land interest plans for the Scheme are provided in Appendix 2, which show land essentially required to deliver the Scheme and which will form the basis of a Compulsory Purchase Order (CPO).

5.3. No issues are currently anticipated in terms of acquiring the necessary third party land by agreement, but in order to ensure the delivery of the Scheme in a timely manner, and in the event that negotiations to acquire all third party land by agreement are unsuccessful, it will be necessary to make and progress a CPO to secure the necessary land. It is proposed to commence this process as soon as reasonably practical.

## **6. Legal Context**

- 6.1. The County Council has the power to progress any appropriate Orders or Notices under the powers of the Highways Act 1980 that are associated with or necessary for the Scheme.
- 6.2. The County Council has the power to make Compulsory Purchase Orders and in relation to this road construction Scheme, the enabling power is the Highways Act 1980.
- 6.3. The Compulsory Purchase Process Guidance from the Department for Communities and Local Government (CPO Guidance) states that a compulsory purchase order should only be made where a) there is a compelling case in the public interest and b) the purposes for which the compulsory purchase order is made justify interfering with the human rights of those with an interest in the land affected. Particular attention should be given to these considerations.
- 6.4. The public interest test is met due to the proposed acquisition delivering the necessary improved infrastructure to provide better access to the Whiteley area and to encourage much needed economic retention and development. The proposed acquisition will also serve to enhance the wellbeing of residents and business park users, particularly in Whiteley and the Solent Business Park, by significantly reducing congestion and delays on the main access routes. This will help to enhance the prosperity of the area overall as well as the quality of place.
- 6.5. The County Council has also had regard to the provision of Article 1 of the First Protocol to the European Convention on Human Rights. In light of the significant public benefit that would arise from the delivery of the Scheme, it is considered that it would be appropriate to acquire the land through compulsory purchase should that prove necessary, and that to do so would not constitute an unlawful interference with individual property rights.
- 6.6. Article 6 also requires that those civil rights that may be affected by a decision are given a fair hearing by an independent and impartial tribunal. This is secured by means of the compulsory purchase order process, including the holding of an inquiry into any objections which may be made and the ability to challenge any compulsory purchase order in the High Court.

## **7. Other key issues**

- 7.1. In order for the County Council to implement the Scheme in its entirety as is currently planned, it will be necessary to enter into a Section 6 agreement with Highways England under Section 6 of the Highways Act 1980 to enable the County Council to undertake works on the Highways England network.
- 7.2. There are several issues on the wider motorway network in the vicinity of M27 Junction 9 which have the potential to impact on the proposed Scheme and associated cost estimate, but are not currently allowed for. These include

issues with the motorway drainage (runoff), which could potentially be mitigated as part of the Scheme, and works to the slip roads associated with the M27 Smart Motorways Project, which is due to be constructed on similar timescale to the proposed Scheme. It is envisaged that there will be close working between Highways England and the County Council as Delivery Agent in order to coordinate and manage works on this very busy network to ensure minimum disruption to the travelling public. If the County Council is requested to undertake further works that are outside the current scope, it is likely that an agreement will need to be reached with Highways England, in the form of a Heads of Terms or Memorandum of Understanding, or similar, to ensure that appropriate additional funding is allocated by Highways England.

- 7.3. Since the current Scheme cost estimate was produced, several potential issues with statutory undertakers apparatus have been identified, which have the potential to incur significant additional cost to the Scheme over and above that allowed for utility protection/diversions in the cost estimate. Investigative surveys will be progressed as soon as possible to provide more accurate information in this respect. Although the estimate does contain a specific allowance for Risk and Optimism Bias, it is currently unclear whether this would be sufficient to cover the potential additional cost, and therefore further funding may need to be found. Whilst the risk of costs increasing is relatively low, any requirement for additional funding to cover cost increases associated with the preferred Scheme would need to be addressed by the County Council, as the Highways England funding is capped. Any change in the overall scheme value will be reported to the Executive Member for Environment and Transport by way of a final Project Appraisal, which will also provide an assessment of value for money once cost estimates have been finalised. Notwithstanding the above, the terms set out in the funding agreement to be put in place between Highways England and the County Council will be critical to ensuring that the County Council is suitably recompensed for any work undertaken developing the Scheme, if for whatever reason the Scheme funding is subsequently withdrawn by Highways England, or a decision is taken not to progress the Scheme to construction.
- 7.4. As part of the value engineering process, a previously identified Non-Motorised User route, that would traverse the M27 Junction 9 roundabout, and connect Parkway South roundabout to the A27, was removed from the Scheme. The County Council did not consider that this was the optimum location for such a facility and instead a non-motorised user audit of the wider area is currently being undertaken, to try and identify the best location for new or enhanced pedestrian and cycle facilities to connect Whiteley to the A27 and the Segensworth Business Parks. The County Council intends to consult on the preferred location for new/enhanced pedestrian and cycle facilities, as part of a public information event for the Scheme to be undertaken in autumn 2017.

## **8. Future direction**

- 8.1. Following approval of this report the County Council will work with Highways England to sign a funding agreement that will secure the £12.9million to be provided by Highways England. It is likely that it will also be necessary to draft a separate agreement, such as a Heads of Terms or Memorandum of Understanding, that will define the scope of the works associated with the Scheme and what would happen in the event that the County Council is asked to include additional works within its scope, or to cover the potential overlaps with the Smart Motorway project.
- 8.2. Following approval of this report the detailed design for the Scheme will be progressed, including activities such as: investigative surveys to provide more information regarding the location of statutory undertaker's plant and ground conditions; and enabling works which could involve the utility diversions and advance vegetation clearance. The current intention is that main construction works will commence in summer 2019, following approval of a Project Appraisal and completion of the tendering process.
- 8.3. Following approval of this report and approval by the Executive Member for Policy and Resources, formal negotiations will be entered into with all third party landowners, in order to seek to acquire by agreement all third party parcels of land necessary to construct the Scheme as approved. If negotiations are unsuccessful then the Compulsory Purchase Order process will be used to ensure the delivery of the Scheme in a timely manner.
- 8.4. The County Council intends to hold a public information event for the Scheme in Autumn 2017, which will include full details of the preferred Scheme and consultation over potential new or enhanced non-motorised user routes to connect Whiteley to Segensworth and the A27.
- 8.5. There will be a need to comply with Highways England requirements in terms of design approvals, and it is also possible that further assessment work may be required for things such as environmental and traffic impact. These could all potentially impact on the programme.

## **9. Recommendations**

- 9.1. That the Highways England preferred Scheme for the M27 Junction 9 and Parkway South Roundabout Improvements (the "Scheme"), as shown on the drawing at Appendix 1, be approved as a basis for development of the detailed scheme.
- 9.2. That approval is given to procure and spend on enabling works contracts, up to the value of £2.5million, to be funded from existing resources.
- 9.3. That authority is delegated to the Director of Economy, Transport and Environment and the Head of Legal Services to enter into all necessary legal agreements with Highways England in order to finance and deliver the M27 Junction 9 and Parkway South Roundabout Improvements ("the Scheme"),

including: a funding agreement to secure £12.9million of Highways England funding; a Section 6 Highways Agreement to undertake works on the Highways England network at M27 Junction 9; and any other legal agreements that are required to define the scope of the works associated with the Scheme.

- 9.4. That the Executive Member for Environment and Transport recommends that the Executive Member for Policy and Resources provides authority to acquire all third party interests in any land and any necessary rights required for or to facilitate/enable the delivery of the M27 Junction 9 and Parkway South Roundabout Improvements by agreement (“the Scheme”).
- 9.5. That, in order to ensure the delivery of the M27 Junction 9 and Parkway South Roundabout Improvements (“the Scheme”) in a timely manner, the Executive Member for Environment and Transport recommends to the Executive Member for Policy and Resources that a Compulsory Purchase Order is made for the land required to deliver the Scheme, as detailed in Appendix 2, to run in parallel with negotiations to acquire all third party land interests by agreement, on the basis that the areas of land identified in Appendix 2 will not be extended but may be revised or minimised.
- 9.6. That authority is delegated to the Director of Economy, Transport and Environment and the Head of Legal Services to progress any appropriate Orders, Notices, or Statutory procedures and obtain any consents, rights or easements that are necessary for the M27 Junction 9 and Parkway South Roundabout Improvements (“the Scheme”).
- 9.7. That authority is delegated to the Director of Economy, Transport and Environment to progress all design and development work for the M27 Junction 9 and Parkway South Roundabout Improvements (“the Scheme”) including the progression of all necessary advance works.



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

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

Document

Location

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:**

The proposed Scheme will provide positive benefits for all local residents and users of the adjacent business and retail parks, regardless of gender, race, religion or mobility. It will reduce congestion and delay and reduce associated levels of driver stress. Benefits will apply to all users of the junctions.

The proposals will have neutral impact upon groups with protected characteristics. In the event that a CPO is required, the guidance published by the DCLG (Guidance on CPO process and The Crichel Down Rules for disposal of surplus land acquired by, or under the threat of compulsion) will be followed.

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

2.1. The decision will not have any direct impact upon crime and disorder.

**3. Climate Change:**

- a) How does what is being proposed impact on our carbon footprint / energy consumption?
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

The proposed Scheme will help to reduce congestion and delay and will therefore help to improve air quality, due to a reduction in the volume of queuing vehicles.