

# HAMPSHIRE COUNTY COUNCIL

## Decision Report

<b>Decision Maker:</b>	Executive Lead Member for Universal Services
<b>Date:</b>	10 July 2023
<b>Title:</b>	Project Appraisal Update: Southampton and South-West Hampshire Transforming Cities Fund A27 Providence Hill, Bursledon
<b>Report From:</b>	Director of Universal Services

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### Purpose of this Report

1. The purpose of this report is to provide an update on the delivery and budget for the Transforming Cities Fund (TCF) A27 Providence Hill, Bursledon scheme, outlining the reasons for budgetary increase and an updated scheme programme.

### Recommendations

2. That the Executive Lead Member for Universal Services approves an increase in the 2022/23 capital programme value of the Southampton and South-West Hampshire Transforming Cities Fund (TCF) A27 Providence Hill, Bursledon scheme from £1.9 million to £2.826 million to be funded from Department for Transport's (DfT's) Transforming Cities Fund (TCF), Local Transport Plan (LTP) and Section 106 contributions.
3. That the Executive Lead Member for Universal Services approves the Update Project Appraisal for Transforming Cities Fund A27 Providence Hill, Bursledon scheme, as outlined in this report.
4. That approval be given to procure, spend and enter necessary contractual arrangements, in consultation with the Head of Legal Services, to implement the proposed scheme to make cycle and pedestrian improvements in Bursledon in line with the revised budget, to be funded from Department for Transport's (DfT's) Transforming Cities Fund (TCF), Local Transport Plan (LTP) and Section 106 contributions.
5. That the Executive Lead Member for Universal Services delegates authority to the Director of Universal Services, in consultation with the Head of Legal Services, to progress any orders, notices or statutory procedures and secure any consents, licences, permissions, rights or easements necessary to enable implementation of this scheme.

## **Executive Summary**

6. This scheme is part of the Tranche 2 TCF programme and aims to make cycle route improvements along the A27 in Bursledon, to provide continuity and connectivity for cyclists in the area.
7. The scheme was included in the report 'Project Appraisal: Southampton and South-West Hampshire Transforming Cities Fund Programme', which was approved at the Executive Lead Member for Economy, Transport and Environment Decision Day on 27 January 2022.
8. The scheme will include widening of existing footways, installation of an on road segregated cycle facility, continuous footway treatment across side road junctions (including four raised tables) as well as two new Toucan signal-controlled crossing points which were previously proposed as two zebra crossings. These were upgraded to provide safer and more comfortable methods to cross the A27.
9. Initially provisioned as an enhanced shared use path from Windhover Roundabout, this was upgraded to a segregated cycle lane which leads to an existing two stage crossing across the A27 and across Windmill Lane. The existing cycle crossing at Windmill Lane will be segregated via lines, signs, and a raised table.
10. The scheme aligns with Hampshire County Council Strategic plan by helping people in Hampshire to live safe, independent and healthy lifestyles.
11. The scheme aligns with the drafted Local Transport Plan 4 (LTP4) outcomes as it contributes towards a carbon neutral, resilient Hampshire including encouraging fewer vehicles on Hampshire's roads. In addition to helping the public and council to respect and protect Hampshire's environment, the scheme aids people to live healthy, happy and inclusive lives by promoting active travel modes.
12. The scheme is awaiting notification of award to construct the project with a forecast start of works in August 2023 (subject to approval of this report).

## **Contextual information**

13. The scheme has been identified to improve cycling facilities between Windhover Roundabout at the northern end of the scheme and Church Lane at the southern end, in order to encourage more people to cycle and walk along the A27 in this location and onwards towards Southampton. The scheme will provide a continuous cycle provision via segregated cycle lanes and shared use footway/cycleways, together with cycle friendly improvements at existing key junctions (Appendix 1 for location plan).
14. It will connect to the TCF Bursledon Road cycle link scheme via the National Highways Windhover Roundabout improvement scheme, which in turn links to existing cycle and pedestrian infrastructure (including Southampton City Council's Cycle Network "SCN" route 3).
15. The route utilises land within the existing highway boundary adjacent to the A27 Providence Hill carriageway. The scheme will be located on the north side of A27 between Windhover Roundabout before crossing via a new Toucan signal-controlled crossing point in the vicinity of Portsmouth Road. The scheme will

continue along the southern side of the A27, until its termination at Church Lane where the scheme will provide a connection for cyclists to continue their journey south on-carriageway. There will be interventions along the route to establish cyclist priority, facilitate easier crossing at junctions and create a more comfortable cycling environment overall.

16. The current economic outlook has played a large role in the projects budgetary increase. The regional market has seen high volumes of infrastructure schemes, with similar timescales, and in an uncertain market accurate scheme costs have been difficult to predict. Factors such as material shortages, rising fuel costs, labour costs and a shortage of HGV drivers are impacting logistics and supply chain management as lead times for key materials are affected. Additionally, events in eastern Europe continue to have a very significant impact on top of these existing challenges which has intensified the financial situation. Evidence has been seen through tendering that projects costs have been seen to increase by up to 20% over the past 12 months.
17. The Building Cost Information Service reported the Tender Price Index faced a 9.1% increase on an annual basis in September 2022 and construction materials prices rose by 22.3% from the previous year.

## Finance

18. The estimated project cost is £2.826 million to be funded by Tranche 2 TCF, LTP and S106 funding (the developer funding is available for sustainable transport improvements in this area and is applicable to this project).
19. The scheme is proposing an increase in budget from the £1.9 million budget approved in the January 2022 Project Appraisal: Southampton and South-West Hampshire Transforming Cities Fund Programme.
20. The new forecast budget is as shown below:

<u>Estimates</u>	<u>£'000</u>	<u>% of total</u>	<u>Funds Available</u>	<u>£'000</u>
Design Fee	555	20	Developer contributions	2,019
Client Fee	147	5	TCF Tranche 2	732
Supervision	124	4	LTP	75
Construction	2,000	71		
<b>Total</b>	<u>2,826</u>	<u>100</u>	<b>Total</b>	<u>2,826</u>

21. Forecast costs have increased since approval of the Project Appraisal in January 2022 and are attributable primarily to a combination of (i) increased construction costs which have been impacted by the economic climate, including high levels of inflation (set out in paragraph 16) and (ii) increased fees.

22. The construction cost forecast is based on the Pre-tender Estimate which reflects the inflationary pressures illustrated in paragraph 17. Previous scheme cost estimates were based on lower inflation rates (5% per year) than those being experienced recently (20%).
23. The construction cost forecast includes implementation of monitoring cameras and count surveys, ITS equipment, utility amendments and new utility equipment. Whilst this was recognised in the January 2022 report the scope of work has increased, and actual costs are higher than estimated.
24. Fees have increased due to scheme changes from feasibility to detailed design. These include modifications to respond to public feedback and reworking designs following engagement with utility providers. Responses from road safety and asset management have been incorporated as the design has evolved.
25. Due to the increased forecast cost, a revised Value for Money assessment has been undertaken and the scheme is still assessed as delivering a good level of benefit relative to the cost. The anticipated Benefit Cost Ratio assessed at the scheme development stage will largely be realised and, therefore, it is recommended that the project be progressed, thereby delivering positive benefits in respect of active travel.
26. The scheme aligns directly with the Local Transport Plan 4 and aligns with policies in encouraging active traffic. The scheme forms part of a cycle corridor linking to the recently completed Bursledon Road TCF scheme; a National Highways scheme on Windhover Roundabout planned later this year and the existing SCN Route 3 in Southampton to the west. Therefore, in addition to the Benefit Cost Ratio, the scheme has a strong value for value case as providing the proposals in Providence Hill will link to the Windhover Roundabout improvements to the west and provide onward accessibility to Swanwick and Fareham.

**Programme**

27. To align with the project programme, this project will be tendered at the same time as seeking approval for the recommendation set out in this report. If tender returns are received over the value of the construction cost stated in the January 2022 Project Appraisal: Southampton and South-West Hampshire Transforming Cities Fund Programme, the contract will not be awarded until this report has been considered.

	Gateway Stage			
	3 - Project Appraisal	Start on site	End on site	4 - Review
Date (mm/yy)	05/23 (Update)	08/23	03/24	03/25

## Consultation and Equalities

28. Political support from Hampshire County Council Members was established as part of the scheme's early engagement and was reported in the January 2022 Project Appraisal: Southampton and South-West Hampshire Transforming Cities Fund Programme report. County and local Councillors will continue to be updated as part of ongoing communications on the progress of the scheme.
29. The scope of the scheme (and the impact) remains largely as approved in January 2022. The Equalities Impact Assessment undertaken as part of the January 2022 Project Appraisal has been reviewed and remains relevant to this report.
30. An online digital consultation event was held during September 2021 for Councillors (County, Borough, Town and Parish) and key stakeholders including local businesses, community groups and disability groups/forums. The event was well attended by interested parties with a good level of interaction between attendees and County Officers during a question-and answer session at the end of the event.
31. Following the digital event, an online public survey was launched which attracted 120 responses which included the following headline responses (full results are available at [A27 Providence Hill Cycle Link | Transport and roads | Hampshire County Council \(hants.gov.uk\)](#))
  - 55% of respondents agree that the introduction of a segregated two-way cycle lane would improve cycling and walking in the area, with agreement being strongest amongst those who cycle in the area (86%) and walk in the area (56%);
  - 61% of respondents agree that a reduction in the speed limit would improve cycling and walking in the area, with 74% of cyclists and 62% of walkers agreeing with this;
  - 61% of respondents agree that the proposal to introduce a zebra crossing at the Portsmouth Road junction would improve cycling and walking in the area, with 72% of cyclists and 65% of walkers agreeing with this;
  - 58% of respondents agree that the introduction of a zebra crossing between Yachtsman Close, and Church Lane would improve cycling and walking in the area, with 75% of cyclists and 62% of walkers agreeing; and
  - 53% of respondents feel that the proposed changes would encourage them to walk or cycle more in the area, with 39% of drivers saying that they would.
32. As part of the public consultation activity, an enquiry was received from a Providence Hill resident objecting to the proposed removal of unallocated parking within the highway boundary. In response to the feedback received, the scheme design has now been altered to retain some of the existing parking while also retaining a provision for cyclists at this section.
33. The local County Member, Councillor Keith House, has been informed and is aware of the scheme and is supportive of the scheme in general.
34. In order to make residents and businesses aware of the proposals and possible disruption in advance of construction, residents will be contacted by letter to provide details of the scheme and provide a contact to raise any issues. Local stakeholders, including businesses and schools, will also receive a letter and

will be contacted directly by the project team to discuss the scheme and plan for the construction works. During construction, all residents and stakeholders will be informed in advance of any change to the traffic management arrangements or a period of short term disruptive works. The scheme website page will be regularly updated to provide a status of the works, and the project team will respond to any issues raised and seek to find solutions where issues are raised, for example special access needs during construction.

35. An Equalities Impact Assessment has been undertaken on this scheme and has been found to have a positive impact regarding the protected characteristics of age and disability. The scheme focuses on improving the cycling experience, air quality and pedestrian safety by implementing new highways infrastructure. This scheme will mainly benefit those making the trip by cycling and walking and help to encourage modal shift. The scheme has a neutral impact for other protected characteristics.
36. With respect to age, overall, the scheme is likely to have a positive impact on reducing inequalities. The improvements it provides to cyclists and pedestrians will improve the safety and journey experience of these modes. With respect to disability, this scheme will benefit those with disabilities who use the highway, particularly those with mobility impairments that require mobility aids, such as wheelchairs and walking canes. It will encourage disabled cyclists to commute more as inaccessible cycle infrastructure is one of the biggest barriers to cycling.

### **Climate Change Impact Assessments**

37. Hampshire County Council utilises two decision-making tools to assess the carbon emissions and resilience of its projects and decisions. These tools provide a clear, robust, and transparent way of assessing how projects, policies and initiatives contribute towards the County Council's climate change targets of being carbon neutral and resilient to the impacts of a 2°C temperature rise by 2050. This process ensures that climate change considerations are built into everything the Authority does.
38. The Climate Change Impact Assessment was undertaken as part of the January 2022 Project Appraisal: Southampton and South-West Hampshire Transforming Cities Fund Programme report, and the conclusions are considered to still be accurate.

### **Other Key Issues**

39. All works will be undertaken within the public highway and no dedications or land agreements are required to proceed.
40. No planning consents are required for the delivery of the scheme, as all works are to be carried out as permitted development.
41. The conversion of existing footways into shared footways/cycleways and the provision of new cycleways will be progressed in accordance with the provisions of Sections 65 and 66 of the Highways Act 1980, with no TRO requirement.

## **Conclusions**

42. In conclusion, this report seeks approval from the Executive Lead Member for Universal Services to increase the budget for TCF Eastleigh Town Centre Cycles from £1.9 million (as approved in January 2022) to £2.826 million. The reasons for this increase are set out in this report.
43. This report also sets out the reasons for the continued delivery for the project, including its Strategic alignment, as well as provides an update on the schemes future programme. The scheme is considered to generate public value, align with current policy direction and delivery is key to maintaining the County Council's reputation with the DfT.

**REQUIRED CORPORATE AND LEGAL INFORMATION:**

**Links to the Strategic Plan**

<b>Hampshire maintains strong and sustainable economic growth and prosperity:</b>	no
<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

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
Project Appraisal: Southampton and South-West Hampshire Transforming Cities Fund Programme 27 January 2022	<u>Date</u> 27 January 2022
Transforming Cities Fund – Portsmouth & Southampton: Update	<u>07 November 2022</u>
<b>Direct links to specific legislation or Government Directives</b>	
<u>Title</u> Transforming Cities Fund	<u>Date</u> March 2018

**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.)**

<u>Document</u>	<u>Location</u>
None	



## **EQUALITIES IMPACT ASSESSMENT:**

### **1. Equality Duty**

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 by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- 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.

### **2. Equalities Impact Assessment:**

An Equalities Impact Assessment has been undertaken as part of the January 2022 Project Appraisal and the scheme has been found to have a positive impact regarding the protected characteristics of age and disability. The A27 Providence Hill Bursledon scheme focuses on improving accessibility for pedestrians and cyclist, air quality and pedestrian safety by implementing new highway infrastructure. This scheme will also encourage cycling and walking. With respect to age, overall, the scheme is likely to have a positive impact on reducing inequalities. The benefits it provides to cyclists and pedestrians will improve the safety and journey experience of these modes. With respect to disability, this scheme will benefit those with disabilities who use the highway, particularly those with mobility impairments that require mobility aids, such as wheelchairs and walking canes. It will encourage disabled cyclists to commute more as inaccessible cycle infrastructure is one of the biggest barriers to cycling.