

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Economy, Transport and Environment
Date:	12 November 2019
Title:	Transforming Cities Fund Bids Update
Report From:	Director of Economy, Transport and Environment

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Purpose of this Report

1. The purpose of this report is to provide an update following feedback from the Department for Transport (DfT) on the draft Strategic Outline Business Cases (SOBC) submitted in June for the Transforming Cities Fund (TCF) proposals for Portsmouth and Southampton areas. The report also provides an update on progress with the development and design of the candidate schemes identified for potential inclusion in the Strategic Outline Business Case. The report suggests legal and other arrangements for finalising the SOBC submissions to DfT on 28 November 2019, including agreed and legally binding Local Assurance Frameworks for the allocation of funding secured.

Recommendations

2. That approval be given to the revised list of candidate schemes, as set out in this report, for inclusion in the final Strategic Outline Business Case.
3. That authority is delegated to the Director of Economy, Transport and Environment, in consultation with Southampton City Council, Portsmouth City Council and Isle of Wight Council via the respective joint working arrangements, to agree the final Strategic Outline Business Case submissions, including in each case a legally binding Local Assurance Framework that clearly demonstrates how Transforming Cities Fund funding will be allocated between the parties across each programme area.

Executive Summary

4. This paper provides an update on current progress by the County Council in implementing measures that have benefitted from TCF Tranche 1 funding and in partnership with Southampton City Council, Portsmouth City Council and Isle of Wight Council, developing Strategic Outline Business Case submissions to the Department for Transport for a share of the Tranche 2 Transforming Cities Fund. This includes ongoing work to prepare candidate schemes for implementation, and legal arrangements should funding be made available.

Progress with Implementing Schemes Funded through the TCF Tranche 1 awards

5. Within the Southampton area, the following three cycle schemes received funding;
 - a. Hut Hill Cycle Route, with construction work due to commence in November 2019.
 - b. Test Lane Cycle Route, due to commence construction in January 2020
 - c. Redbridge Causeway to Totton & Eling pedestrian and cycling enhancements, due to commence works in 2020.

6. In the Portsmouth area, funding was awarded to the Enhanced Eclipse Busway phase 1 completion scheme and real time information installations in Havant and Waterlooville. Work is currently progressing to finalise the detailed design of the busway scheme and to undertake ground clearance and public utility diversions, in preparation for commencement of the main works contract. Orders have been placed with the County Council's suppliers to install the real time information units and any necessary power supply at 40 bus stop locations, with site works due to commence imminently and expected to continue into the early part of 2020.

Feedback from DfT on the Draft Strategic Outline Business Cases

7. The DfT has requested that each city region submits bids ranged across high, medium and low aspirations. High aspiration for the Southampton area, currently valued at £122m, includes 5 corridors into Southampton, reducing to £95m for 3 corridors under the medium aspiration, and £64m for 1 corridor under low aspiration. The proportion of potential spend in Hampshire remains broadly consistent (around a third) across all three packages. In the Portsmouth area, the high aspiration, currently valued at £220m covers the whole South East Hampshire Rapid Transit core network, whilst the medium and low aspirations (currently valued at £160m and £110m respectively) progressively focus upon a core corridor linking Portsea Island and Havant, plus Ryde Interchange. Higher aspiration bids entail more infrastructure within Hampshire with a corresponding increase in the share of spend within the county boundary.
8. In providing its feedback, the DfT has noted the low aspiration bids across the 12 city regions total more than the available TCF Tranche 2 budget (£1.22b). Whilst still encouraging high aspiration bids to be developed, the DfT has also requested that bidding authorities take note of the potential pro rata allocation for each area, based upon workday population. For both the Southampton and Portsmouth areas, this would be in the region of £55m across the city and county areas (and Ryde for the Portsmouth area); some city regions having a much larger population.
9. For the Southampton area bid, the feedback was positive with the proposed schemes credited as being scalable, in alignment with TCF objectives, and arrived at through a clear and rigorous process. There were specific and detailed comments set out in respect of each of the five elements of the business cases. The joint officer project team are working to address the

detailed comments and are continuing to work with the DfT team through the co-development process.

10. Likewise, comments received from the DfT on the Portsmouth area draft business case were positive with “the need for intervention clearly and convincingly set out”, with, “obvious potential for the area to benefit from the interventions.” The ranking of high, medium and low aspiration packages was regarded as fair and consistent, but further work was requested on the measures that had been ruled out. The support of the bus operators was noted, and support from the local MPs was requested for inclusion in the November submission. Work is ongoing to address all the comments received.

Progress on Developing the Final Business Cases for the November Submission

11. Since submission of the draft business cases in June, work has continued through the joint working arrangements to develop the infrastructure intervention packages for both TCF bids, alongside further work with the bus operators on vehicle, ticketing and customer experience upgrades. In addition, work has been undertaken by the County Council with the borough councils to further develop complementary policies that seek to:
- encourage consideration of the TCF proposals as a basis to guide the disposition of development during local plan considerations;
 - encourage supportive and where appropriate reduced parking provision when considering new development that can benefit from improved accessibility by public transport, walking, and cycling measures; and
 - encourage the provision of parking and the setting of off-street parking tariffs that recognise evidence of improved levels of accessibility by public transport walking and cycling.
12. Work has also continued within the wider partnerships to engender support, particularly among the business community, which could benefit from improved levels of accessibility and connectivity through the measures proposed.
13. The development work undertaken has enabled further refinement of the list of candidate schemes previously identified, as set out in the table below.

Portsmouth TCF		Southampton TCF
£2,000,000 - £5,000,000		<£500,000
Havant Town Centre (Park Road and Pedestrian access improvements)		
Havant Corridor (Bus priority on Havant Road)		Romsey Rail (Access improvements for pedestrians and cyclists)
Portchester A27 Corridor (Bus priority measures)		Southampton city boundary to Windhover Missing Cycle Link along A3024

Gosport Highway (corridor improvements between Busway and Ferry Terminal, including Stoke Road)		£500,000 - £2,000,000
		Improved Cycle Access to Winchester Station
		Southampton to Romsey Bus Corridor Improvements (A3057)
£5,000,000 - £15,000,000		Southampton to Hedge End (area) Bus Corridor Improvements (A27/Chalk Hill)
Gosport Bus Station Interchange		
Waterlooville Corridor (Additional bus priority measures on A3, south of Waterlooville)		
Waterlooville Town Centre (Bus priority measures for town centre roads and precinct)		Access improvements to Hamble Rail Station (pedestrians and cyclists)
Havant A2030 Rusty Cutter Roundabout (bus priority and pedestrian and cycling measures)		Hamble Station (accessibility improvements & parking provision)
Fareham Bus Station (improved bus access bus interchange enhancements)		Redbridge Viaduct (raised parapets for cyclist safety)
Fareham A27 Delme Roundabout (bus priority and highway improvements)		Missing Cycle Link (A27 North Baddesley to Chilworth)
A27 Cosham Corridor (bus priority and cycle improvements) (part in PCC area)		Cycle and bus improvements along A27 corridor (Windhover Roundabout to Swanwick Lane junction & across Hamble Lane)
Portchester District Centre (Public realm, bus priority and road safety improvements)		Wide Lane to Eastleigh town centre cycle route (enhancements) Mobility Hub.
		Hut Hill, Chandlers Ford to Southampton boundary (cycle route extension)
		Improvements at Southampton Parkway Station (car parking/ticketing)
£15,000,000 +		
Gosport Busway Completion (Rowner Road to Lees Lane plus upgrade to existing busway (including Brewers Arch additional bus stop)		£2,000,000 +
		Eling to Fawley Cycle Route Measures (enhancements)
		Southampton to Eastleigh Bus Corridor Improvements (Bishopstoke Road corridor)

	Southampton to Waterside Bus Corridor Improvements (A35 and A326)
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Proposed Local Assurance Framework

14. DfT guidance on TCF bid submissions requires development and inclusion of a Local Assurance Framework (LAF). The purpose of such a framework is to make clear how each element of the bid contributes to the overall business case and how funding made available will be allocated to each element of the bid. Such a framework is also of value to the bidding partners by clearly establishing priorities for all potential funding scenarios. This will provide confidence to each bidding partner in developing their proposals as to the likelihood of receiving funding. It is proposed that the local assurance framework for each bid is a binding agreement.
15. The Local Assurance Framework will consider scheme bundles, prioritised against the TCF objectives as set out in relevant DfT guidance. These include an assessment of value for money, the amount of match funding, and the extent to which the schemes can realise additional benefits, such as development or regeneration opportunities. It will also be necessary to include an assessment of deliverability within the TCF timeline of March 2023 (considering scheme complexities such as land, ecology and legal consents).

Finance

16. Funding for Tranche 1 Schemes has now been received from both city councils.
17. Collaborative arrangements are currently being negotiated with the bidding partners (Isle of Wight Council and Portsmouth City Council for the Portsmouth area bid, and Southampton City Council for the Southampton area) regarding commitment to funding the necessary development work for each bid. This will also cover allocation of the £50,000 received by the lead authorities from the DfT to support the development work.
18. The Strategic Outline Business Case submitted to the DfT for each area will include a legally binding local assurance framework, agreed between the bidding partners.

Consultation and Equalities

19. As the June SOBC submissions for Tranche 2 funding were draft 'work in progress', neither have been published on public facing websites. Work has continued to develop the respective propositions with the bidding partners.
20. This will remain the case until the final submissions are made on 28 November 2019 when both business cases will be published on the relevant websites. At present, and until funding allocations are known, it is not possible to provide firm public commitments to individual infrastructure interventions.

21. Tranche 1 funded schemes have been publicised at the following web link [Eclipse Busway Phase 1 Completion Scheme](#) and via the collaborative communication plans.
22. For the TCF Tranche 2 submission for the Southampton area, the bus operators and key stakeholders (the University and Hospital) have been involved in workshops feeding into the developing and evolving SOBC. Other key supporters have also been kept informed with the developing SOBC. A key stakeholder event was held on 24th September, and DfT were informed of the positive level of interest and support for the SOBC expressed at the event.
23. Core to the TCF Tranche 2 bid for the Portsmouth area is the wider partnership being developed around the South East Hampshire Rapid Transit (SEHRT) proposition. This comprises 16 partner organisations including bus, ferry, catamaran and hovercraft operators, together with the rail operators and network rail.
24. To support the business case submission and the ongoing development of the proposition, a consultation has been undertaken to establish the attitudes of existing and potential future customers for SEHRT. Feedback from the consultation, which was live during the period of September to mid-October 2019, will be used to inform the final business case submission.

REQUIRED CORPORATE AND 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.)

Document

Location

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:

The central proposal of this decision is to submit a bid for funding, and therefore the direct impact on people with protected characteristics is neutral.