

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Economy, Transport and Environment
Date:	19 November 2020
Title:	ETE Capital Programme Quarter 2 2020/21
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 a high-level summary of progress and delivery within the capital programme in 2020/21.

Recommendations

2. That the Executive Member for Economy, Transport and Environment notes the significant work being undertaken to progress the capital programme in the current difficult conditions, as well as the considerable value of competitive funding that has been secured so far in 2020/21.
3. That the Executive Member for Economy, Transport and Environment notes that Hampshire County Council's role as Scheme Promoter in the M27 J10 scheme will be reviewed on completion of stage 3 of the Highways England approval process, as agreed by Cabinet on 29 September 2020.

Executive Summary

4. The Economy, Transport and Environment's (ETE) capital programme contains a range of projects, including but not limited to: highways maintenance, transport improvements, flood alleviation, waste management, bridge strengthening, economic development, town centre improvements and highways safety.
5. ETE's capital programme is a mix of starts-based and spend-based approvals, which means that the published programme figures are not wholly related to expenditure in any given year. It is not possible, therefore, to correlate the published programme to actual expenditure in any meaningful way.
6. This paper provides a short narrative summary of progress and delivery within the capital programme. The additional appendix to this report provides more detailed information and is referenced where relevant.
7. This paper also contains recommendations for the consideration of the Executive Member for Economy, Transport and Environment.

Expenditure and Finance

8. This section provides an update on the capital programme expenditure and finance since the beginning of 2020/21.
9. Gross spend across the capital programme from 1 April to 30 September 2020 is £39.616million. Appendix 1 shows where expenditure is being made across ETE's programme. This is less than previously expected, in part due to Covid-19 related delays.
10. Planned expenditure for 2020/21 of £146.211 million was forecast in January 2020 (Appendix 2 of the report to Executive Member for Environment and Transport). A comprehensive review of planned expenditure will be undertaken through the autumn and reported in the next quarterly update. Although it is expected that spend will significantly increase in Q3 and Q4 2020/21, as more major schemes enter or continue to deliver on site, it is likely that the overall forecast will reduce from January 2020 forecast levels.
11. The Executive Member for Economy, Transport and Environment approved the following Project Appraisals since the ETE Capital Programme Quarter 1 2020/21 report:
 - Brighton Hill Improvement Scheme – Camrose Link Road and Advanced Enabling Works (£3.454 million);
 - Four Marks – A31/Lymington Bottom Junction Improvements (£0.398 million);
 - Bramley Lane/Sherfield Road Junction Bramley (£0.482 million);
 - A33/South Drive Junction Improvement Sherfield-on-Loddon (£0.397 million); and
 - Whitehill Bordon Relief Road Junction 2 to 3 Shared Use Footway/Cycleway (£0.696 million).
12. As detailed elsewhere on the Agenda, Hampshire County Council along with Portsmouth City Council and Isle of Wight Council were successful in securing just under £56million of funding provided by the Department for Transport (DfT), for the Hampshire County Council Transforming Cities Fund (TCF) Tranche 2 schemes. Hampshire County Council's share of this funding is just under £20million. This is in addition to the funding secured by Hampshire County Council for the Southampton City region schemes that had been reported earlier this year.
13. Since the last update, Hampshire County Council has received confirmation that it has been successful in securing £0.863million of DfT Tranche 1 Emergency Active Travel Fund. At the time of writing, ETE is waiting to hear the outcome of a bid for a further £3.460million from the DfT's Tranche 2 Emergency Active Travel Fund.
14. Further funding success has been achieved through the signing of a £5.6 million funding agreement with Solent LEP for the A326 Fawley Waterside capital scheme.

Delivery and Programme Changes

15. This section details significant points concerning the delivery of the elements within each Economy, Transport and Environment sub-programme since the last report and recommends amendments and additions to the capital programme for approval.
16. At the time of writing, there is considerable uncertainty over the impact of Covid-19 on the remainder of the 2020/21 capital programme delivery. In addition to increased costs and disruption due to social distancing, there could be further costs and delays, caused for example, from potential further restrictions being imposed or through supply chain shortages. An update on this position is expected to be available in January 2021 but is dependent on Covid-19 uncertainties over the next few months.

Structural Maintenance Programme

17. The Hampshire Highways Service Contract (HHSC) has risen to the challenge of delivering services through the Covid-19 pandemic. Over 86% of schemes are now ordered and over half of the planned maintenance programme has been delivered with the surface dressing programme being completed on time despite a late start and the pressures of social distancing.
18. Turning to the Structures sub-programme, principal inspections of bridges utilising hoists, divers and accessing Network Rail land took place over the summer as planned with precautions in place for social distancing due to Covid-19. Work continued on Redbridge Viaduct Work Package 2 repairs with HHSC contractor Skanska working under the Viaduct off pontoons and scaffolding. Additional welfare facilities were provided and one-way routes implemented around the site due to Covid-19. Design work continued on Redbridge Work Package 3 (Eastbound carriageway), Botley structures, Langstone bridge and a number of smaller bridge replacement schemes. The Major Road Network (MRN) fund bid for Redbridge Work Package 3, endorsed by Transport for South East (TfSE) in July 2019, remains under discussion with the DfT. Additional traffic modelling information was requested and was submitted in September with an updated Outline Business Case report.
19. In other parts of the county, at Holmsley bridge, legal work continued in relation to the transfer of land between Hampshire County Council and Forestry England. At the same time, contract documents were prepared and audited. Negotiations took place with Network Rail to ensure that during its upgrade of Millway bridge in Andover, the bridge was brought up to 40t capacity, negating any need for restrictions on the highway over the bridge. Network Rail is only legally bound to strengthen to 24t with Local Authorities contributing funds if they wish to have 40t capacity. Hampshire County Council's contribution was agreed at 14% of the £2.96million refurbishment costs at the Executive Member for Economy, Transport and Environment Decision Day on 8 October 2020.

Integrated Transport Programme

20. The Major Schemes programme is progressing well with significant on the ground delivery expected in 2020/21. Looking to the forward programme, since the last update, a £5.6million funding agreement with Solent LEP has been secured for A326 Fawley Waterside, with a further £2.4million expected to be secured with the developer in due course.

21. In addition to funding secured from Solent LEP for A326 Fawley Waterside, Hampshire County Council has also successfully negotiated £0.9million for completion of stage 3 of Highways England Project Control Framework Process for of M27 Junction 10 by the end of March 2021.
22. It is therefore recommended that the Executive Member for Economy, Transport and Environment notes that Hampshire County Council's role as Scheme Promoter in the M27 J10 scheme will be reviewed on completion of stage 3 of the Highways England approval process, as agreed by Cabinet on 29 September 2020.
23. As detailed elsewhere in this report, almost £20million has been secured from DfT for Transforming Cities Fund (TCF) Tranche 2 schemes in the south east of the county. These additional 9 schemes will be added to the capital programme in due course and will be delivered in addition to the current major scheme programme.
24. The Named Schemes (<£2million) transport improvement programme is currently very active, with 40 schemes in progress, totalling a value of nearly £25million. In addition, 7 schemes have already been completed this year and 30 minor schemes (< £0.07million) are also in progress across the county. Of note, the Whitehill Bordon sub-programme has two schemes on site and a further four schemes due to commence construction soon. These figures exclude work that the teams are undertaking for the Emergency Active Travel Funded schemes and the TCF tranche 2 schemes.
25. Since the last update, Hampshire County Council has received confirmation that it has been successful in securing £0.863million of DfT Tranche 1 Emergency Active Travel Fund. This funding has been used to support around 60 schemes to implement pop-up and temporary interventions to create an environment that is safe for both walking and cycling. Further to this initial successful bid, as detailed above, work has been undertaken to prepare schemes for a larger Tranche 2 bid which will significantly add to the Named scheme programme if successful.
26. The Named scheme programme will also soon see the addition of 13 schemes that are being developed from the DfT TCF tranche 2 funding received for work in the Southampton City region earlier this year.
27. Covid-19 continues to impact the Integrated Transport Programme. Although all schemes that were previously suspended have now been remobilised, there may continue to be ongoing increased costs and delays due to current social distancing restrictions as well as potential further restrictions being imposed prior to scheme completion. These costs are being monitored to ascertain whether they can be covered within the current funding profiles.
28. A revised Project Appraisal was agreed at Executive Member for Economy, Transport and Environment Decision Day on 8 October 2020 regarding Town Mills in Andover which made reference to additional costs due to Covid-19 disruption which partly attributed to the increased value of the scheme from £1.3million to £1.6million.
29. There have been seven amendments made to the capital programme under delegated authority since the last Executive Member report. It is expected that further changes, including a number of deferrals, in part due to Covid-19 delays,

for schemes programmed to be delivered in 2020/21 to 2021/22, will be made in the second half of this financial year. It is also anticipated that some schemes, initially expected to be completed in 2020/21, will now span into 2021/22.

30. The Casualty Reduction (previously Safety Engineering) works sub-programme consists of a range of safety improvement schemes due to be implemented across the County. Approximately 130 schemes are included this year but given the reactive nature of much of this work this is likely to fluctuate. £1.0million has been allocated for the delivery of these safety engineering schemes, along with £1.185million carried forward from previous years and £0.5million allocated to safety measures in the Structural Maintenance programme. A further £0.45million has been allocated for the delivery of safety led Traffic measures, funding of schemes delivered under the district Traffic Management agencies and for Hampshire County Council on-street parking schemes. Approximately £0.50million has already been spent with 20 schemes completed.
31. Safety improvement measures have been developed alongside Engineering Consultancy colleagues for the high priority scheme at the Ipley Crossroad on the Beaulieu Road to the west of Applemore in the New Forest. This follows a series of fatal and potentially fatal collisions involving cyclists. The scheme was recently approved at the Executive Member for Economy, Transport and Environment's October decision day. Consultation and design is ongoing with a possible works start of January 2021. It is expected that the finalised scheme will cost in the region of £0.50million and will be funded through the annual Casualty Reduction Programme budget.

Waste Programme

32. Work has progressed on preferred collections and processing of recyclables with Veolia progressing with the commission into the twin stream and kerbside sort options with the work set to be completed very early in quarter three. The work assesses the capability of the existing waste transfer and disposal infrastructure to accommodate both above options as well as to make provision for the ability to manage separate food waste. Due to the impact on resources of the Covid-19 pandemic the work to consider the impact of the above options on collections services has been delayed. It is now set to be completed early in quarter four 2020/21.
33. Following the delays resulting from the impact on resources of Covid-19, feasibility work into the potential relocation of the Hartley Wintney Household Waste Recycling Centre is progressing along with studies into a potential site to serve residents in north west Hampshire due to be completed by early quarter four 2020/21. The management of closed landfills continues to incur minor costs in relation to both landfill gas and leachate management however these works are likely to be reactive in nature.

Flood Risk and Coastal Defence Programme

34. Flood alleviation schemes on site have been progressing well, however uncertainties around Covid-19 restrictions remain a risk to the cost and timescales of all the schemes. Work on Phase 2 of the Buckskin Flood Alleviation scheme has progressed significantly over the summer however technical challenges around utilities relocation and design levels are causing some delays. The scheme is now likely to be completed by December 2020.

35. The £0.437million funding from the Environment Agency to support the delivery of the Farringdon Flood Alleviation Scheme will allow the Phase 2 detailed design to begin. An additional funding claim for £0.22million was submitted in July 2020 which will support CCTV investigations due from October.
36. The Mainstone element of the Romsey Flood Alleviation scheme has now been completed and the Middlebridge Street contract was awarded to Mildren Ltd in Summer 2020.
37. Phase 1 of Webb's Corner in Eversley which began in 2019 was completed in June 2020 and CCTV investigation was completed for The Street. This has established that further options need to be developed for Webb's Corner.
38. Since the last update, funding of £0.245million from the Flood Risk and Coastal Design programme fund was approved for Outer Winchester and work has now begun on Phase 1. Further detail on the scheme for Rectory Road and Sycamore Road is included in its project appraisal, reported elsewhere on this agenda. Flood mitigation for these roads is now likely to start in Spring 2021 subject to funding approval.

Economic Development Programme

39. At the time of writing, Hampshire County Council is in the process of repaying the Solent LEP the outstanding balance of the Growing Places Fund loan. This is just over £3.5million and includes the £3.2million owed by Fareham Borough Council, £0.2million admin fee plus interest accrued. The Fareham Borough Council repayment of £3.2million is required by the end of this financial year.

Consultation and Equalities

40. This is a financial report amending or proposing budgets for programmes and individual schemes, and therefore does not require a consultation.
41. Service changes or proposals for individual schemes will undertake their own specific consideration of equalities issues. This report has no direct effect on service users, so has a neutral impact on groups with protected characteristics.

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

Other Significant Links

Links to previous Member decisions:	<u>Date</u>
<u>ETE Proposed Capital Programme 2020/21,2021/22 and 2022,23</u>	14/01/2020

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:

This is a financial report amending or proposing budgets for programmes and individual schemes. Changes or proposals for individual schemes will have been made following consultation and will have undertaken their own specific consideration of equalities issues. The decisions in this report are financial, and mainly relate to in-house management or accounts and therefore have a neutral impact on groups with protected characteristics.

Additional Appendix 1: Table of expenditure across ETE capital programme in 2020/21

Gross Expenditure	To 30 September 2020	
	Periods 1-6	£
Structural Maintenance	19,229,132	
Integrated Transport Programme	18,723,811	
Flood & Coastal Defence Management	1,639,924	
Solent Enterprise Zone	3,220	
Community Transport	19,800	
Waste	0	
PRIP (residual)	0	
TOTAL	39,615,887	

Additional Appendix 2:

The following is a list of delegated decisions that have been made since the last update:

- **BDBC: Abbey Road/Shakespeare Road Pedestrian and Cycle Improvements Phase 2** - new addition to 2020/21 capital programme £195,000
- **EHDC: Whitehill Bordon: Outstanding 114 Crossings** – increase in value to £495,000 and name change to Whitehill Bordon – Tesco Junction cycle improvements
- **EHDC: Whitehill Bordon GGGL Station Road Crossroads** – deferral of scheme to 2021/22 capital programme
- **HBC: Scratchface Lane (West), Pedestrian and Cycle Improvements, Bedhampton** - increase in value to £249,000
- **WCC: Access Improvements to Kings School Winchester** – increase in value to £440,000 and change of funding source
- **NFDC: Long Lane Footway, Marchwood, Phase 2** – increase in value to £115,000
- **BDBC: East Woodhay Transport and Accessibility Measures** – deferral of scheme to 2021/22 capital programme