

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Economy, Transport and Environment
Date:	14 January 2021
Title:	ETE Capital Programme Monitoring
Report From:	Director of Economy, Transport and Environment

Contact name: Maria Golley

Tel: 0370 779 0492

Email: maria.golley@hants.gov.uk

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 and provides recommendations for changes to the programme in 2020/21 and beyond.

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 seeks approval from Council for an increase in the value of the Stubbington Bypass scheme from £34.495 million to the value of £39.295 million, noting that the increase of £2 million associated with the impact of Covid-19 is to be funded from the allocation previously approved for that purpose by the County Council in July 2020, with the balance to be funded from a mix of Section 106 developer contributions and local resources.
4. That the Executive Member for Economy, Transport and Environment notes the increase in the value of the Redbridge Causeway Works Package 2 scheme from £9.7 million to the value of £9.88 million, noting that the additional cost of £0.18 million is associated with the impact of Covid-19 to be funded from the allocation previously approved for that purpose by the County Council in July 2020.
5. That the Executive Member for Economy, Transport and Environment notes the increase in the value of the Woodhouse Lane South – Botley scheme from £4.498 million up to the value of £5.087 million, noting that the additional cost of £0.589 million is associated with the impact of Covid-19 to be funded from the allocation previously approved for that purpose by the County Council in July 2020.
6. That the Executive Member for Economy, Transport and Environment delegates authority to the Director of Economy, Transport and Environment (in

consultation with the Head of Legal Services) to agree the terms and enter into contractual arrangements to secure the transfer of the Future Transport Zone funding from Southampton City Council.

7. That the Executive Member for Economy, Transport and Environment approves the inclusion of 16 capital Active Travel Fund schemes (totalling £2.4 million) into the 2020/21 capital programme. The schemes will be entered individually with the greatest value being £0.394 million, as outlined in appendix 4.

Executive Summary

8. The Economy, Transport and Environment (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.
9. 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.
10. This paper provides a short narrative summary of progress and delivery within the capital programme. The additional appendices to this report provide more detailed information and are referenced where relevant.
11. This paper also contains recommendations for the consideration of the Executive Member for Economy, Transport and Environment.

Expenditure and Finance

12. This section provides an update on the capital programme expenditure and finance since the beginning of 2020/21.
13. Gross spend across the capital programme from 1 April to 30 October 2020 is £48.407million. Appendix 1 shows where expenditure is being made across ETE's programme.
14. A review of planned expenditure was undertaken in the autumn, taking in to account planned carry forwards for schemes due to commence in future years as notified at this point. Further review will take place before the end of the financial year, and based on experience, further deferments and/or amendments are likely to occur in the final quarter and works may be subject to potential impacts from adverse winter weather events. Last year's actual outturn was £76.13 million and the forecast at this point in the previous year was £85 million. The current predicted outturn is in the region of £90 - £95 million and taking in to account previous experience and the challenges of the current year to date, it is likely that the actual outturn at the end of 2020/21 will be lower than the current prediction, potentially in the region of £80 - £85million.
15. The outturn could be reduced further due to the impact of unavailability of construction staff due to Covid-19 and self-isolation requirements, which generates further uncertainty.

16. The Executive Member for Economy, Transport and Environment approved the following Project Appraisals since the ETE Capital Programme Quarter 2 2020/21 report:
- Farnborough Flood Alleviation Scheme - Rectory and Sycamore Roads (£0.475 million);
 - Whitehill Bordon STP – Woolmer Way (Tesco)/High Street Junction Improvement (0.495million); and
 - Brighton Hill Roundabout, Basingstoke (£19.3 million)
17. Required adjustments to the schemes' capital programme entries have been made accordingly.
18. Since the last update, the outcome of the Active Travel Fund bid has now been announced and Hampshire County Council has been successful in securing £3.28million (capital and revenue mix). This funding will be used on a range of measures to improve spaces for people walking and cycling. It should be noted that Hampshire County Council's award was less than the indicative bid, receiving only 95% of the amount requested. This was in line with similar authorities but showed that the awards tended to favour unitary authorities whose bids were felt to be strong. Appendix 3 provides further information on the percentage of indicative allocations received by other local authorities in England.

Delivery and Programme Changes

19. 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.
20. The impacts of Covid-19 are being seen across ETE's capital programme. Although work is continuing to minimise financial and time impacts as much as possible, increased capital costs resulting in some schemes requiring further funding is expected. Specific impacts are detailed within the capital programme sections below.

Structural Maintenance programme

21. Work has continued within the Hampshire Highways Service Contract despite the pressures and changes to ways of working brought about by the Covid-19 pandemic. At the time of writing Quarter 3 was yet to complete, however at the end of Quarter 2, 86% of works have been ordered and 246 schemes (45%) completed. Remaining schemes are programmed for delivery although weather, road space availability and resource availability remain a challenge.
22. Principal inspections of subways were undertaken during the November lockdown to take advantage of the fact that usage of these was down, particularly in town centre locations. Precautions for inspectors were in place for social distancing due to Covid-19.
23. Work has continued on Redbridge Viaduct Work Package 2 with repairs starting on the southern edge off scaffolding supported on the footway. This identified

additional works as a result of the 1960's records not fully reflecting the 'as built' situation. Site work continued throughout the lockdown utilising the additional welfare facilities provided earlier in the year. Covid-19 related cost pressures have affected this scheme and it is expected that the value of the scheme will increase by £0.18 million. As a result, the Executive Member for Economy, Transport and Environment is asked to note the increase in the value of the Redbridge Causeway Works Package 2 scheme from £9.7 million to the value of £9.88 million, noting that the additional cost of £0.18 million is associated with the impact of Covid-19 to be funded from the allocation previously approved for that purpose by the County Council in July 2020.

24. Design work continued on Redbridge Work Package 3 (Eastbound carriageway) and liaison with utilities, Network Rail and the Marine Management Organisation continued. Design for Botley structures, Langstone bridge refurbishment and a number of smaller bridge replacement schemes is ongoing.
25. In November, Department for Transport Officers advised that the Major Road Network (MRN) fund bid for Redbridge Work Package 3, endorsed by Transport for South East (TfSE) in July 2019, was due to be submitted to Ministers shortly.
26. At Holmsley, legal work continued in relation to transfer of land between Hampshire County Council and Forestry England. At the time of writing the Tender was expected to go out in December through the Gen4-2 Framework.

Integrated Transport Programme

27. At the time of writing, the government expects local authorities to continue with the construction of capital programmes, despite Covid-19 challenges resulting in increased costs and potential prolonging of scheme construction due to the need for contractors' staff to social distance.
28. The increased costs for the schemes currently in construction are being incurred at Hampshire County Council's expense. In addition, it is now apparent through the return of tenders that the cost of schemes not yet in construction will be higher than their pre-tender estimate, due to the impacts of Covid-19 restrictions on the industry.
29. The department is reviewing each scheme on a case by case basis, to identify where additional funding will be required. Where schemes rely on external funding, there may be challenges in securing additional resources, and therefore it will be necessary to explore all avenues to secure additional funding. It is possible, however, that additional funding may not be available, in which case schemes may need to be reduced in scope, or potentially paused, due to Covid-19 cost increases.
30. The scheme of most concern at time of writing is Stubbington Bypass. Covid-19 related cost pressures incurred to date, as well as future forecasted Covid-19 cost pressures for this scheme, could add an estimated additional £2 million of costs. As a result, the Executive Member for Economy, Transport and Environment is asked to note the increase of £2 million associated with the impact of Covid-19 to be funded from the allocation previously approved for that purpose by the County Council in July 2020.
31. As would be expected, costs and designs of schemes on the scale of Stubbington Bypass are regularly reviewed to ensure the scheme remains resilient against external changes post initial approval. A recent review has

identified several adaptations and enhancements that will benefit the outcome of the scheme, these include additional ecological activities and remediations, additional ground stabilisation work, additional street lighting at the junction with Peak Lane and higher contractor costs. These changes, which could result in an increase of £2.8 million representing 8% from the original approved value, will be funded from a mix of S106 developer contributions and local resources. Considering the premium needed to cover the additional Covid-19 related costs as well, the overall value of the scheme is now forecast at £39.295 million.

32. It is therefore recommended that the Executive Member for Economy, Transport and Environment seeks approval from Council for an increase in the value of the Stubbington Bypass scheme from £34.495 million to the value of £39.295 million, noting that the increase of £2 million associated with the impact of Covid-19 is to be funded from the allocation previously approved for that purpose by the County Council in July 2020, with the balance to be funded from a mix of S106 developer contributions and local resources.
33. Covid-19 related cost pressures have also affected the Woodhouse Lane South – Botley scheme and it is expected that the value of the scheme will increase by £0.589 million. As a result, the Executive Member for Economy, Transport and Environment is asked to note the increase in the value of the Woodhouse Lane South – Botley scheme from £4.498 million up to the value of £5.087 million, with the additional cost of £0.589 million to be funded from the allocation previously approved for that purpose by the County Council in July 2020.
34. Despite the complexities that Covid-19 presents, the department is working hard to develop and implement a strong forward programme of Integrated Transport schemes. The Majors sub-programme has seen significant recent growth with the inclusion of 10 Portsmouth City Region Transforming Cities Fund Tranche 2 schemes (£21 million) in November 2020 as well as further additions recommended elsewhere on this agenda. Furthermore, there continues to be significant work on schemes in the existing programme across the county, including schemes on site such as A326 Waterside, Thornycroft Roundabout in Basingstoke, Eclipse Busway in Gosport, Stubbington Bypass and M27 Junction 9 schemes. In addition, schemes including Brighton Hill Roundabout in Basingstoke, Lynchford Road in Farnborough, Uplands Development Infrastructure & Woodhouse Lane in Botley are moving forward with advanced works expected on site this winter.
35. The Named schemes (<£2million) transport improvement programme is also seeing considerable growth with the inclusion of 12 Southampton City Region Transforming Cities Fund Tranche 2 schemes (approximately £18 million) in November 2020.
36. In addition, following the success of the Department for Transport's Active Travel Fund Tranche 2 bid, 16 schemes have been developed for inclusion into the capital programme 2020/21. These schemes seek to enable increases in walking and cycling, facilitating social distancing within various urban areas across Hampshire. In Winchester, for example, the range of measures proposed include reallocation of road space and removal/relocation of parking bays to widen footways and create new cycle lanes in addition to the installation of a modal filter. It is recognised that these schemes will require, as advised by DfT, public consultation to ensure that there is full opportunity for comments to be

made and considered before any schemes are implemented. Appendix 4 shows further details of the schemes.

37. It is therefore recommended that the Executive Member for Economy, Transport and Environment approves the inclusion of the 16 capital Active Travel Fund schemes (totalling £2.4 million) into the 2020/21 capital programme. The schemes will be entered individually with the greatest value being £0.394 million, as outlined in appendix 4.
38. As detailed in the November 2020 Capital Programme report, a review of the remaining 2020/21 capital programme has now taken place to determine which schemes programmed for delivery in 2020/21 require deferral to later programme years. Local members have been consulted as part of the review, with the Director for Economy, Transport and Environment approving the deferrals in December 2020, as set out in appendix 2. This also lists all the amendments made to the capital programme under delegated authority since the last Executive Member report.
39. The Casualty Reduction (previously Safety Engineering) works sub-programme continues to make progress and since the last update; approximately £585,000 has been spent with 36 schemes completed.
40. Safety improvement measures are being developed alongside colleagues in the Operation Resilience Team for the B2177/C50 Staple Cross near Boarhunt. These follow a fatal collision in 2015 and a pattern of further injury accidents. Measures proposed include the addition of new traffic islands on the side road approaches and drainage improvements to reduce the current ponding issues. This work follows the resurfacing of the B2177 through the crossroads in 2019 to improve overall skidding resistance. It is expected that the overall scheme will cost in the region of £150,000 and will be funded both through the annual Casualty Reduction Programme budget and the Planned Maintenance budget.
41. As reported in July 2020 capital programme monitoring report, Solent Transport has been successful in its Future Transport Zone (FTZ) bid to the Department for Transport (DfT). The total funding awarded is now £28.8m awarded for a programme of tests and trials of innovative approaches to transport across the Solent. An interim project team is now in place and significant activity is underway. As the accountable body for the FTZ programme, Southampton City Council has received FTZ funds from the DfT. Legal arrangements will therefore be required to transfer funds between the Solent Transport partner authorities to ensure that each partner can undertake the projects that they are responsible for.
42. It is therefore recommended that the Executive Member for Economy, Transport and Environment delegates authority to the Director of Economy, Transport and Environment (in consultation with the Head of Legal Services) to agree the terms and enter into contractual arrangements to secure the transfer of the Future Transport Zone funding from Southampton City Council.

Waste programme

43. Veolia has completed the feasibility study into the delivery of kerbside sort and twin stream recycling systems in terms of infrastructure requirements, covering both waste transfer station upgrades as well as recyclables processing facilities,

and is now working on the revenue implications ahead of further engagement with the Waste Collection Authorities in Quarter 4 2020/21. The work has revealed key locations where the current infrastructure may not be sufficient, Rushmoor and Blue Haze waste transfer stations, and further investment will be required to meet the needs of any new recycling collection system.

44. It is expected that an outline planning application and Environmental Impact Assessment for new recycling infrastructure to be situated at the Chickenhall Lane site in Eastleigh will be submitted during quarter 4 2020/21 to understand the implications of development on the site. Work to consider the implications of moving the recycling infrastructure from Alton to Eastleigh will be undertaken, including any need for additional waste transfer capacity in the Alton area. In addition, since the last update, the Executive Member for Economy, Transport and Environment has granted authority for Hampshire County Council to enter into a funding agreement with Southern Water to implement the utilities diversion works in Chickenhall Lane, Eastleigh. This authority has also been delegated to the Director of Economy Transport and Environment.
45. Feasibility work on two potential sites for a new Household Waste Recycling Centre (HWRC) in the north west of Hampshire is underway as part of a wider review of service provision in that area that will include work linked to Hartley Wintney, Farnborough and Aldershot HWRCs to ensure effective service provision across the region. 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.
46. There is potential for the ongoing Covid-19 pandemic to impact on the progression of all of the projects due to the availability of resources as a result of rising numbers of cases and the impact of self-isolation.

Flood Risk and Coastal Defence programme

47. The impact of Covid-19 on the deliverability of schemes remains a concern although the schemes on site are managing these risks well. The current estimated costs of Covid-19 restrictions on the flood schemes capital programme is £0.3million.
48. Buckskin Flood Alleviation Scheme was completed in December 2020 however some remedial work which will take place during the maintenance period has been identified. A project appraisal for Rectory Road and Sycamore Road Flood Alleviation Scheme subject to external funding has been approved to procure and spend £0.325million of Hampshire County Council's Flood Risk Coastal Defence Programme Fund on the £0.475million scheme which is due to start construction in Winter 2020 and be completed by Spring 2021. £0.150million Flood Defence Grant in Aid and Local Levy Funding to support the Rectory Road and Sycamore Road Scheme has also been approved by the Environment Agency.
49. Approval has also been granted to contribute £0.210million to an Environment Agency led two year pilot programme to install passive property level resilience in properties across southern Hampshire that are vulnerable to flooding, for which strategic capital schemes are not economically viable. Further to exploring innovative ways of dealing with flooding, approval is being sought to undertake a strategic study of the sub-catchment area of the River Itchen north

of Winchester in order to identify options for long term improvements to flood and water management in support of forthcoming mitigation measures being implemented through the Outer Winchester Flood Alleviation Scheme in the area. The first phase of the Outer Winchester scheme is due to be completed in Spring 2021.

50. The Mainstone element of the Romsey Flood Alleviation Scheme is substantially complete and work on surface water drainage improvements in Middlebridge Street, a second element of the Romsey scheme, is due to finish in early 2021.

Economic Development programme

51. Hampshire County Council has now repaid Solent LEP the outstanding sum of £3.5million in relation to the Growing Places Fund loan (£3.2million), admin fee (£200,000) plus accrued interest (net of the approved retained interest of £120,000). Fareham Borough Council, to meet its contractual obligations with regards to the funding arrangements, is now making arrangements to refund the £3.2million to Hampshire County Council. It is anticipated that this transaction will take place by the end of 2020. At the same time, the legal charge that Hampshire County Council has over the land at the Enterprise Zone will be removed.

Consultation and Equalities

52. This is a financial report amending or proposing budgets for programmes and individual schemes, and therefore does not require a consultation.
53. 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.

Climate Change Impact Assessments

54. The tools employed by the County Council to assess impacts on climate change adaptation and mitigation were utilised and found not to be applicable on grounds that the decision relates to a strategic programme rather than specific interventions. The tools will be applied to specific schemes and more detailed proposals in the future to assess any impacts and ensure they are reported.

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:	
ETE Proposed Capital Programme 2020/21,2021/22 and 2022,23	<u>Date</u> 14/01/2020
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>

Section 100 D - Local Government Act 1972 - background documents	
<p>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.)</p>	
<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:

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.

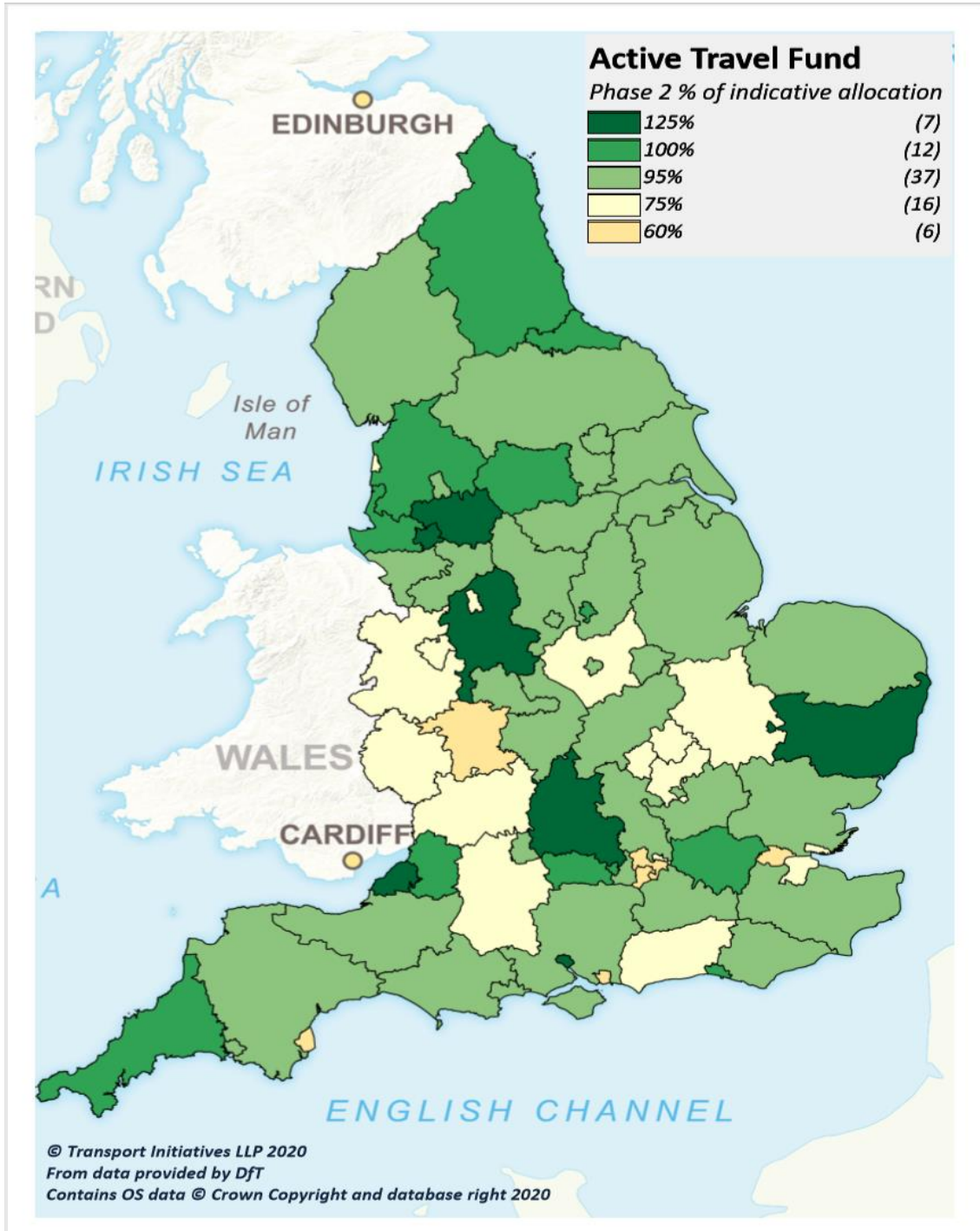
Appendix 1: Table of expenditure across ETE capital programme in 2020/21.

Gross Expenditure	To 31 October 2020 Periods 1-7 £
Structural Maintenance	23,712,630
Integrated Transport Programme	22,626,771
Flood & Coastal Defence Management	2,043,339
Solent Enterprise Zone	4,272
Community Transport	19,800
Waste	0
PRIP (residual)	0
TOTAL	48,406,813

Appendix 2: List of delegated decisions that have been made since the last report:

- East Hants District Council - Whitehill & Bordon GGGL: Budds Lane Southern Shared-use Footway - new addition to 2020/21 capital programme at £245,000
- Fareham Borough Council: A27 and Portchester Precinct, Portchester – removal of scheme from 2019/20 capital programme due to duplication with Transforming Cities Fund Portchester District Centre Bus and Pedestrian improvements scheme
- Eastleigh Borough Council: West End High Street Improvements Access – to defer this scheme to the 2021/22 capital programme
- Test Valley Borough Council: Walworth Roundabout / A3093 / A3057 – to defer this scheme to the 2022/23 capital programme
- East Hants District Council: A339 / B3349 Junction Improvements, Alton – to defer this scheme to the 2022/23 capital programme
- Basingstoke and Deane Borough Council: Manydown Cycles, Basingstoke – to defer this scheme to the 2021/22 capital programme
- BDBC: Whitchurch Accessibility and Traffic Measures – to increase the value of this scheme to £572,000
- Rushmoor Borough Council: A323 High Street/Ash Road, Aldershot footway/cycleway – to defer this scheme to the 2022/23 capital programme
- East Hants District Council: Whitehill Bordon: Route towards Lindford – to defer this scheme to the 2021/22 capital programme
- Eastleigh Borough Council: Botley Village Enhancements– to defer this scheme to the 2023/24 capital programme
- New Forest District Council – Ringwood Town Centre Improvements Phase 2 – increase value to £400,000. Externally funded.

Appendix 3: Emergency Active Travel Fund award map for England



Appendix 4: Schemes to be entered into 2020/21 capital programme funded by DfT Active Travel Fund

District	Scheme	Description	Value £000
East Hampshire District Council	Petersfield High Street	Measures include the provision of a bus and cycle gate, cycle parking and additional space for pedestrians by the suspension of some on-street parking.	189
Rushmoor Borough Council	Camp Road Public Realm Improvements	Measures include installation of parklets and widening of footway by removal of some on-street parking.	144
Rushmoor Borough Council	Old Lynchford Road	Measures include a parallel crossing, new cycle lane and widened footway by removal of some on-street parking.	307
Rushmoor Borough Council	Aldershot Station forecourt	Measures to include repaving, public realm improvements and narrowing of carriageway for additional pedestrian space.	144
Rushmoor Borough Council	Low Traffic Neighbourhood Measures	Development of a kit of traffic management measures to include cycle parking, planters, parklets and traffic calming.	96
Winchester City Council	Winchester North Walls West-East	Measures to include widened footway with a separate cycle way by reallocating road space and relocating some parking bays and bus shelter.	195
Winchester City Council	Winchester City Centre North-South	Measures to include widened footway for additional pedestrian space, installation of modal filter, signage and	110

		road markings to permit increased cycling provision.	
Winchester City Council	Winchester W-E St Pauls Hill-Trafalgar St	Measures include a new contraflow cycle lane by removal of on street parking as well as carriageway and footway width reduction.	135
Basingstoke & Deane Borough Council	Brighton Way Cycle Route	To provide a new segregated two-way cycle lane on the eastern side of Brighton Way.	394
Fareham Borough Council	A27 Corridor – Raised tables	To provide continuous footways formed by raising the carriageway at minor arms of key locations along the A27 corridor.	195
Countywide	School Cycles	Measures include the provision of scooter and cycle parking to schools.	227
Eastleigh Borough Council	Eastleigh High Street	Measures include the closure of the High Street, Market Street and parts of Wells Street to vehicular traffic using planters, bollards and parklets.	61
Test Valley Borough Council	Romsey High Street	Measures include closure of sections of The Hundred with the installation of planters, bollards and signage.	52
New Forest District Council	Brookley Road, Brockenhurst	Measures include the reallocation of some on-street parking bays to provide build outs for queuing and the provision cycle parking and seating.	69
Fareham Borough Council	BRT Route improvements	Measures include route improvements from Gosport to Fareham through footway widening, dropped kerbs and tactile paving.	48
Fareham Borough Council	Cycle Route Signing	Measures include updating signage to existing cycle routes along Gosport BRT	48

