

# HAMPSHIRE COUNTY COUNCIL

## Decision Report

<b>Decision Maker:</b>	Executive Lead Member for Economy, Transport and Environment
<b>Date:</b>	18 November 2021
<b>Title:</b>	Waterside A326 North Improvements Update
<b>Report From:</b>	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 on the A326 Large Local Major (LLM) highway improvement scheme and seek approval to develop a preferred option; and
  - provide the roadmap for update and adoption of the Waterside Transport Strategy.

### Recommendations

2. That approval is given to develop 'Option 2' as the preferred improvement option for the A326 (subject to the approval of the Strategic Outline Business Case submission by the Department for Transport (DfT)) and to undertake a further public consultation on this preferred option, as and when feasibility design has been completed.
3. That authority is delegated to the Director of Economy, Transport and Environment, in consultation with the Head of Legal Services, to enter into contractual arrangements with the DfT to spend Large Local Majors (LLM) funding on developing the preferred improvement option and to assemble the necessary financial package to deliver the scheme, including funds from private individuals.

### Executive Summary

4. This paper seeks to:
  - consider the initial results of the Waterside Transport Strategy public consultation as they relate to the A326 LLM improvement scheme and present the preferred option to be taken forward to the next stage of design;
  - consider relevant financial matters, including potential approval to enter into an agreement with the Department for Transport (DfT) to spend Large Local Major (LLM) scheme funding; and

- set out a roadmap for providing the full analysis of the Waterside Transport Strategy consultation results, the update and adoption of the Strategy, and the further progression of the various associated improvement schemes.

### **Contextual information**

5. This report is being provided in advance of the full Transport Strategy consultation results being available, due to timescales associated with the live DfT LLM funding bid for the A326 improvements, which mean that a decision is required now so as not to impact the programme requirements of the scheme. As outlined later in the report, the preferred option selected is considered to sit well within the context of the Strategy and with the Strategy consultation and engagement responses that have been reviewed to date.
6. The Transport Strategy for the Waterside is being developed to respond to current and future transport needs and challenges. It takes into account local and national requirements, set against environmental and economic priorities. The Strategy will help to guide important investment decisions and shape the approach to planning and delivering transport along the Waterside corridor. The Strategy will cover the period up to 2036, which aligns with the Local Planning Authority - New Forest District Council's (NFDC) Local Plan period.
7. The Waterside Transport Strategy builds upon the 2017 Waterside Transport Study Phase 1, which looked at existing and future transport issues in the Waterside area. The study took into account travel patterns and network performance to identify potential high-level mitigation options that could deliver improvements to the highway, public transport and walking and cycling networks within the area. The study culminated in the following Interim Policy position, which was approved by the County Council's Executive Member for Environment and Transport in November 2017:
  - the A326 to M27 Junction 2 is part of the Major Road Network (MRN) and is the preferred route to the Strategic Road Network (SRN) from Waterside and will need to be improved to accommodate future growth;
  - port expansion at ABP's Strategic Land Reserve (SLR) should be accessed directly from A326, by the shortest, least impactful route;
  - in the short to medium term, bus, walking and cycling improvements will be developed focusing on making bus services quicker and more reliable; connecting Waterside settlements (and the National Park) by improving the quality of the pedestrian environment for day to day trips; and a direct cycle corridor; and
  - until further evidence is forthcoming, the current County Council Position on re-opening passenger rail services on the Waterside remains unchanged.
8. Since November 2017 a number of workstreams have commenced or been progressed in line with the above recommendations, progress which was reported via an update to the Executive Member for Environment and Transport in November 2020 and via an update to the County Council's Cabinet in March 2021. The November 2020 report also provided approval to undertake a public consultation on the draft Transport Strategy for the Waterside and several of the associated schemes (including the A326 LLM scheme), a consultation which took place in summer 2021 and further details of which are provided below.

## **Waterside Transport Strategy Consultation**

9. The public consultation on the draft Waterside Transport Strategy was undertaken between 28 June to 29 August 2021 and views were also sought on a number of schemes for transport improvements which are currently being developed. A series of Member briefings and online live Q&A sessions for the public were also held. The consultation was advertised online, via social media, online press and posters in local areas. Information packs were provided, and public opinions were sought via an online response form on:
  - the Draft Waterside Transport Strategy;
  - A326 LLM improvements (between Totton and Applemore);
  - Waterside Passenger Rail;
  - Totton Level Crossing Improvements; and
  - Waterside Local Cycle and Walking Infrastructure Plan (LCWIP).
10. The Strategy consultation sought views on the draft strategy framework as well as including questions on concerns and priorities for transport in the Waterside area, for an identified set of potential improvements. The final Strategy will need to make choices about which of these are the highest priorities and how far they are interdependent.
11. A total of 941 online surveys were received with a further 12 stakeholder and eight public written comments. These included responses from parish and town councils, New Forest District Council, New Forest National Park Authority and other key stakeholders. The response form was split into sections as per the bullet points at paragraph 9 above, with respondents able to choose the topics that they wished to comment on.
12. A full and detailed analysis of the response forms and comments is currently being undertaken and will be used to shape the final Strategy, but in the meantime, this report outlines some of the initial headline results for the A326 element of the consultation, to provide some context for the choice of preferred option. The analysis in this report draws from the quantitative elements only, as the results of these are quicker to process. Drawing out the main topics and themes from the qualitative responses is more time consuming and will be reported in full in due course alongside a more detailed analysis of all the quantitative data. The Final Strategy document, including an action plan and overarching programme, will then be subject to ratification by the Executive Lead Member for Economy, Transport, and Environment, likely in Spring 2022.

## **A326 Highway Improvements**

13. An initial pre-Strategic Outline Business Case (SOBC) was submitted to Transport for the South-East (TfSE) in August 2019 for funding from the DfT Large Local Majors (LLM) fund, to improve the A326 corridor in the Waterside area. The bid was subsequently prioritised by TfSE and submitted to the DfT in September 2019. Notification was received in the March 2020 Government Budget announcement that the County Council was invited to proceed to submission of a full SOBC.
14. The public consultation sought views on three potential improvement options for a northerly section of the A326, between the Michigan Way roundabout in West

Totton and the Sizer Way junction at Applemore. These options mirrored those that were included in a full SOBC submission that was made to the DfT in July 2021, for between £57million and £123million from the LLM fund. The three options, which are variations on the same base scheme, are shown on the plan provided at Appendix 1, and were:

- Option 1: lowest scope/cost and largely involving junction improvements and localised road widening only;
- Option 2: medium scope/cost and as Option 1 but additionally involving a new dual carriageway to the west of Totton and some on-line widening to the south of Totton; and
- Option 3: highest scope/cost and as Option 2 but additionally involving a new dual carriageway to the south of Totton up to the Applemore junction.

15. The DfT's assessment of the SOBC is ongoing and it is important to note that no further work on developing a preferred improvement option will be undertaken until such time as the SOBC has been approved. It is currently anticipated that the SOBC could be approved in autumn 2021, hence a requirement to select a preferred option in advance of the full Strategy being published, to avoid any delay to the programme and the funding window.
16. If the SOBC is approved, the DfT will grant the County Council in excess of £1million to enable the design for a preferred option to be developed, the next stage of business case work to be undertaken (Outline Business Case) and ultimately for a planning application to be submitted. Feedback from the summer 2021 consultation is a key part of the decision over which option to take forward, alongside other key considerations such as environmental impact, economic impact, scheme cost, and likely cost/benefit ratio.

### **Headline A326 Consultation Results**

17. Following a presentation of the options discussed at paragraph 14, the consultation included a series of questions for respondents to set out their opinions on the current operation of the A326, the suggested objectives of the A326 improvement scheme and to gauge support for each of the options.
18. Existing traffic congestion was the most supported issue with the vast majority of respondents (59% strongly agreeing and 14% agreeing) supporting the view that traffic congestion was a key issue to be addressed. There was also strong support for the other two identified issues of development in the area and keeping traffic off less suitable parallel routes, as shown in the table below.

<b>Issue</b>	<b>Strongly disagree</b>	<b>Slightly disagree</b>	<b>Neither agree nor disagree</b>	<b>Slightly agree</b>	<b>Strongly agree</b>	<b>Not sure</b>
Traffic congestion on the A326	16%	5%	6%	14%	59%	1%
Keeping traffic off less suitable parallel routes	9%	7%	13%	26%	43%	2%
Planned and potential development in the area	16%	6%	9%	21%	46%	2%

19. Respondents were then asked the extent to which they support each of the identified objectives of the A326 improvement scheme. The results show that there was overall support for almost all the objectives. The only exception to this was Objective 3 which was still supported by almost half of respondents (48%). There was also little opposition to each objective, with opposition (either strong or slight) ranging between 9% and 25%, as shown in the table below.

<b>Objective</b>	<b>Strongly oppose</b>	<b>Slightly oppose</b>	<b>Neither support nor oppose</b>	<b>Slightly support</b>	<b>Strongly support</b>	<b>Not sure</b>
1 – Enhance Accessibility for all users	8%	6%	18%	26%	41%	1%
2 – Address Congestion	15%	5%	5%	16%	59%	0%
3 – Facilitate economic development	16%	9%	25%	27%	21%	1%
4 – Net Environmental gain	6%	3%	25%	23%	41%	1%
5 – Compliment other investment	8%	5%	25%	35%	25%	3%

20. Respondents were then asked to confirm the extent to which they agreed or disagreed with a series of identified priorities for the A326 scheme, as shown in the table below. The results showed there was strong support for all priorities, but the highest level of support was for improving pedestrian and cycle facilities. Increasing capacity at junctions also had strong support, and increasing road capacity was also supported, although the strength of support was slightly reduced compared to the other two priorities.

Priority	Strongly disagree	Slightly disagree	Neither agree nor disagree	Slightly agree	Strongly agree	Not sure
Increase road capacity	29%	5%	4%	12%	50%	1%
Improve capacity at junctions	17%	9%	9%	26%	28%	1%
Improve pedestrian and cycle facilities	6%	5%	14%	24%	51%	1%

21. With regards to the scheme options set out in Paragraph 14, respondents were asked to rank each of the options in order of preference. The results of this exercise demonstrate that Option 3 had the most support as first preference, with 46% of respondents identifying this as their first choice, compared to 21% for Option 2 and 33% for Option 1. In terms of second preference there was strong support for Option 2 with 71% of respondents selecting this as their second preference, compared to 17% for Option 3 and 12% for Option 1. Option 1 was the third preference for 56% of respondents with only 9% selecting Option 2 as the least preferred option, and 35% selecting Option 3 third.
22. To take account of all three preferences rather than just relying on first preference, further analysis was undertaken to weight the preferences, with the highest weighting (5 points) given to First preference, 3 points given to Second preference, and 1 point given to Third preference. The results of this analysis are shown in the table below and indicate that when all three preferences are taken into account there is very little difference in the weighted total score for Option 2 and Option 3, with Option 2 scoring marginally higher.

Preference (Weighting)	Weighted Score (Overall % from Survey)		
	Option 1	Option 2	Option 3
First (5 Points)	1,025 (33%)	675 (21%)	1,450 (46%)
Second (3 Points)	213 (12%)	1,248 (71%)	309 (17%)
Third (1 Point)	350 (56%)	57 (9%)	215 (35%)
<b>Weighted Total (Points)</b>	<b>1,588</b>	<b>1,980</b>	<b>1,974</b>

### A326 Preferred Option

23. When deciding on a preferred option there are a range of competing considerations, and not just an assessment of consultation feedback. These include the views of key stakeholders, the environmental impact, the wider economic benefits of the scheme in helping to facilitate key development sites on the Waterside, the potential scheme costs, and the associated ability to lever in third party funding.
24. Taking everything into account, it is proposed that Option 2 is taken forward as the preferred option to the next stage of design and development, as and when

the SOBC is approved by the DfT. Overall Option 2 is considered to provide the best balance between increasing traffic capacity on the A326 to reduce congestion and help facilitate development, whilst improving air quality, limiting the cost and environmental impact of the scheme, and still offering the opportunity to improve pedestrian and cycle facilities and crossings.

25. This option is also considered to sit well with the overall direction of the Transport Strategy for the Waterside, in seeking to provide balanced improvements across a range of transport modes, protecting the special qualities of the New Forest National Park, reducing severance caused by the A326, and not prioritising an increase in traffic capacity at all costs. This view is based on both the draft Transport Strategy that was presented for consultation and on the consultation and engagement responses that have been reviewed to date from members of the public and key stakeholders.
26. Based on the modelling that has been undertaken to date, the Option 2 scheme is forecast to be relatively carbon neutral, in that it does not induce additional people to drive their cars, it simply redistributes existing traffic onto a more appropriate route (the A326), which would previously have been using a more inappropriate route (e.g. through the New Forest or adjacent residential areas). The same analysis suggests that the additional traffic capacity provided by Option 3 would have induced more people to drive their cars and thereby generated additional carbon, which is contrary to the aims of the draft Transport Strategy and the emerging Hampshire Local Transport Plan 4.
27. Whilst it is recognised that Option 3 had the highest number of people selecting this as their first preference, the other results received in the survey responses analysed to date (both in the A326 questions and wider Strategy questions) do not provide a clear mandate for improvements to vehicle capacity on the A326 at any cost. For example, more people agreed that improving pedestrian and cycle facilities and crossings should be a priority than agreed that increasing road capacity or capacity at junctions should be a priority (para 20 above).
28. The environmental impact of the Option 3 design is also considered to be too significant, particularly the number of trees that would need to be removed on both sides of the A326 to facilitate the dual carriageway between south of Totton and Applemore. As well as being within the New Forest National Park for much of this section, the widespread tree removal does not accord with the emerging policy agenda in terms of achieving carbon reduction targets and averting climate change. In addition, the cost of the Option 3 scheme would mean that securing sufficient third party match funding (at least 15% of total scheme cost is required by the DfT for LLM schemes) would be extremely unlikely.
29. Whilst there was also support for Option 1, it is not put forward as the preferred option as it provides more limited increases in vehicular capacity to accommodate development on the Waterside and is therefore less likely to be successful in securing DfT LLM funding. Some elements of Option 1, such as signal-controlled pedestrian and cycle crossing facilities, are still likely to be taken forward as part of the preferred scheme design given the need to incorporate safe pedestrian and cycle crossing facilities at key junctions.
30. As part of the feasibility design process a number of elements of the Option 2 concept design will need to be looked at in more detail, including deciding on the best type of junction at several locations to ensure that a balance can be

struck between providing more traffic capacity whilst also enhancing crossing facilities for non-motorised users. There are also several locations where the impact of the scheme on the local environment will need to be very carefully assessed, due to the proximity of properties or the presence of environmentally sensitive land, such as ancient woodland.

31. Once the Feasibility design for Option 2 has been completed, another public consultation will need to be undertaken, which is likely to be in spring 2022. This will provide detailed information on the scheme and enable stakeholders and the public to influence updates that will be made to the design, before the next stage of design is undertaken and a planning application prepared. There will also be a further Decision by the Executive Lead Member for Economy, Transport, and Environment before a Planning Application is submitted for the scheme.

## **Finance**

32. To date, County Council budgets have been used to develop the draft Waterside Transport Strategy and all associated schemes, apart from £50,000 that was received from the DfT's 'Restoring Your Railway Ideas Fund' towards developing the Waterside Passenger Rail SOBC.
33. A development funding contribution has been requested from the DfT as part of the A326 LLM SOBC to develop the scheme further up to the next stage of the business case (Outline Business Case) and submission of a planning application. Capital funding of £1.05million in 21/22 and £745,000 in 22/23 has been requested, and this will be released sequentially as and when the SOBC is approved by the DfT. It should be noted that if the approval of the SOBC is delayed then these amounts would be likely to change accordingly, with the funding amount for 21/22 reduced and the amount for 22/23 increased.
34. In regard to the A326 LLM scheme it should be noted that the stage after design would be to submit an Outline Business Case (OBC) submission to the DfT. At this time there will be a need to formalise match funding for the scheme and for it to be committed. The success or otherwise of a future OBC will be conditional on formalising match funding commitments. The primary source of match funding is expected to be from private sector developers. In line with the current project timeline, it is expected that they will need to formalise their commitment by late 2022. The developers and potential alternative funding bodies should make arrangements to ensure they are in a position to confirm funding by this date. Failure to do so may mean the scheme is unable to progress, that the impact of future development remains unmitigated, and that the County Council as highway authority may not be able to sustain support for some growth proposals.

## **Future Direction**

35. The focus of this report has been on the Transport Strategy consultation results that relate to the A326 improvements, due to the live funding bid and associated programme timescales. Full updates on all elements of the Transport Strategy consultation, including the Waterside Passenger Rail, LCWIP and Totton Level Crossing elements, will be provided as part of a subsequent report to the Executive Lead Member for Economy, Transport, and Environment.

36. Full analysis of the response form results and comments received in the consultation is currently being undertaken, following which updates will be made, where appropriate, to the Strategy to reflect comments made by the public and stakeholders. The Final Strategy document, including an action plan and overarching programme, will then be subject to ratification by the Executive Lead Member for Economy, Transport, and Environment, likely in Spring 2022. At the same time the full results of the consultation will also be published.
37. If and when the A326 LLM SOBC is approved by the DfT, the preferred option design will be worked up and subjected to a public consultation exercise. Following this, a report will be taken to a future Decision Day for the Executive Lead Member for Economy, Transport and Environment that will outline the results of this consultation and the modifications that have been made as a result of feedback and seek approval to submit a Planning Application for the revised preferred scheme.

### **Consultation and Equalities**

38. Hampshire County Council carried out an open feedback exercise to gather residents' and stakeholders' views on the draft Waterside Transport Strategy and a number of schemes for transport improvements, including on the A326. Five online events for stakeholders and members of the public were undertaken, and a Response Form (available online and in alternative formats) with accompanying Information Packs was provided. The consultation ran from 28 June 2021 to 28 August 2021 and was promoted through a communications strategy, including social media advertising, press releases and posters in the local area.
39. In total, 941 responses were submitted via the consultation Response Form, either online or on paper. Of those who specified, 851 responses were from individuals, 8 were from democratically elected representatives, and 14 were from groups, organisations or businesses. This report provides some initial headline results from these respondents that relate to the A326 LLM scheme.
40. However, further analysis is required to include written submissions made by stakeholders, members of the public, Councillors, and social media comments which were received through Facebook. Once this detailed analysis has been completed, the feedback from all respondents will be taken into consideration in the development of the final Waterside Transport Strategy, which will then be subject to ratification by the Executive Lead Member for Economy, Transport, and Environment, likely in Spring 2022.
41. No equality impacts have been identified at this stage, as the report is primarily seeking approval to undertake the next stage of scheme development work for the A326 highway improvements. This development work will aim to design a scheme that is suitable for all users of the transport network and as such is considered to have a neutral impact on those with protected characteristics at this stage. As part of this development work there is the potential for possible equality impacts to be identified and, if so, these will be fully documented in a future Decision Report to the Executive Lead Member for Economy, Transport and Environment.

## **Climate Change Impact Assessments**

42. Given that this report is seeking approval to undertake scheme development work only; is not seeking authority for the County Council to implement any physical measures or changes; and that the scheme does not have committed funding in place for its implementation, the Climate Change Adaptation and Carbon Mitigation tools are not considered to be relevant to this report. Notwithstanding this, a discussion of how the consideration of potential carbon and climate change impacts have fed into the selection of the A326 LLM scheme preferred option is provided below.

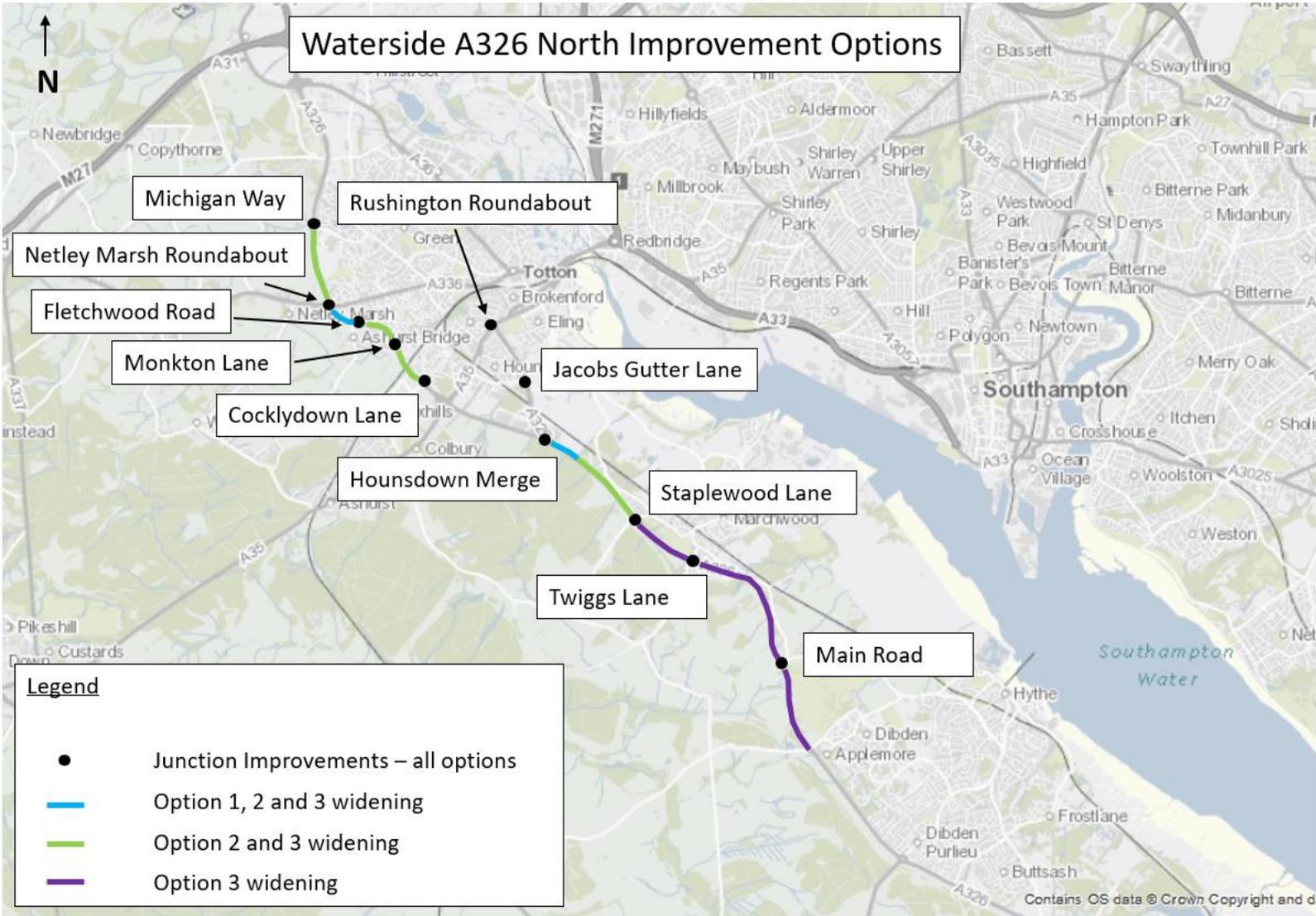
## **Climate Change Adaptation**

43. It is not possible to run the A326 improvement options outlined in this report through this tool, as the scheme is at an early stage of development and therefore sufficient information is not available at this stage. The scheme will be run through the tool at a later stage of scheme development, when there is more certainty over what the preferred scheme will entail.
44. It should be noted however, that part of the reason for selecting Option 2 as the preferred option was due to the less significant environmental impact of this option when compared to Option 3. For example, Option 3 would involve significant widening of the A326 to provide a new dual carriageway between south Totton and Applemore, which would require the removal of a very large number of existing trees and vegetation directly adjacent to the A326, with limited scope to replace the vegetation lost. Whilst Option 2 will involve some vegetation loss, it is substantially lower than that required for Option 3. Furthermore (and as noted in more detail below) the extra traffic capacity provided by Option 3 is expected to induce additional people to drive their vehicles, which would generate additional vehicle emissions compared to Option 2.

## **Carbon Mitigation**

45. As above It is not possible to run the A326 improvement options outlined in this report through this tool, as the scheme is at an early stage of development and therefore sufficient information is not available at this stage. The scheme will be run through the tool at a later stage of scheme development, when there is more certainty over what the preferred scheme will entail.
46. Notwithstanding the above, as noted at paragraph 26 the modelling undertaken to date for the A326 improvement options suggests that the preferred Option 2 scheme (and Option 1) is forecast to be relatively carbon neutral, in that it does not induce additional people to drive their cars, it simply redistributes existing traffic onto a more appropriate route (the A326), which would previously have been using a more inappropriate route (e.g. through the New Forest National Park or adjacent residential areas). The same analysis suggests that the additional traffic capacity provided by Option 3 would have induced more people to drive their cars and thereby helped to generate additional carbon.

# Waterside A326 North Improvement Options



**REQUIRED CORPORATE AND 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

**Other Significant Links**

<b>Links to previous Member decisions:</b>	
<u>Title</u> Waterside Transport Strategy Update (Cabinet) Waterside Transport Update Waterside Interim Transport Policy	<u>Date</u> 16 March 2021 19 November 2020 14 November 2017
<b>Direct links to specific legislation or Government Directives</b>	
<u>Title</u>	<u>Date</u>

**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:**

No equality impacts have been identified at this stage, as the report is primarily seeking approval to undertake the next stage of scheme development work for the A326 highway improvements. This development work will aim to design a scheme that is suitable for all users of the transport network and as such is considered to have a neutral impact on those with protected characteristics at this stage. As part of this development work there is the potential for possible equality impacts to be identified and, if so, these will be fully documented in a future Decision Report to the Executive Lead Member for Economy, Transport and Environment.