

DECISION-MAKER:	COUNCIL
SUBJECT:	“PLATFORM TO PROSPERITY” - PLATFORM ROAD IMPROVEMENT SCHEME
DATE OF DECISION:	14 MARCH 2012
REPORT OF:	SENIOR MANAGER, PLANNING, TRANSPORT AND SUSTAINABILITY

STATEMENT OF CONFIDENTIALITY

Appendix 1 of this report is not for publication by virtue of category 7A of paragraph 10.4 of the Council’s Access to Information procedure Rules, as contained in the Council’s Constitution. Appendix 1 contains confidential information, which in this context means information provided to the Council by a Government Department on terms which forbid its public disclosure or information which cannot be publicly disclosed by Court Order.

BRIEF SUMMARY

This report seeks to accept and add to the capital programme £5.595m of capital grant funding from the Department of Business and Skills (BIS) towards the “Platform to Prosperity” project to deliver a road improvement scheme in Platform Road to improve access to and from the Port of Southampton. This report also seeks commitment from the Council to add £1.255m of match funding to the capital programme.

RECOMMENDATIONS:

- (i) To accept, subject to due diligence, the award of £5.595m of Regional Growth Fund capital grant funding from Department of Business and Skills (BIS) towards the “Platform to Prosperity” project.
- (ii) To add £6.850m to the Environment and Transport Capital Programme for the “Platform to Prosperity” capital scheme, funded by £5.595m from the Regional Growth Fund (phased £1.241m in 2012/13 and £4.354m in 2013/14) and £1.255m from the Council (phased £0.412m in 2012/13, £0.411m in 2013/14 and £0.432m in 2014/15) and to note the intention that the Council funding will be met from the confirmed 2012/13 Local Transport Plan (LTP) grant funding and the indicative 2013/14 and 2014/15 LTP funding.
- (iii) To agree to underwrite, from general capital resources, any shortfall in the 2013/14 and 2014/15 funding should the confirmed LTP funding be insufficient to meet the total requirement of £0.843m for those two years.
- (iv) To note the Associated British Port (ABP) contribution of £1.0m towards the “Platform to Prosperity” scheme.
- (v) To note the contractual obligations on the Council from BIS, including requirements to demonstrate job increases and potential claw back of monies.

REASONS FOR REPORT RECOMMENDATIONS

1. To create the “Platform to Prosperity” scheme and secure the necessary funding to deliver proposed improvements in Platform Road.
2. To note the contractual obligations on the Council in relation to the Regional Growth Fund monies.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

3. Do Nothing

Recent increases in Port activity, particularly related to the cruise business, have exacerbated congestion problems in and around Platform Road. The “Platform to Prosperity” project is more essential than ever to maintain and enhance the viability of the Port of Southampton, which is of key importance to the local and national economy. Subject to due diligence, sufficient funding has been secured to deliver the proposed improvements. On this basis, “Do Nothing” is not recommended.

4. Do Minimum Scheme

It would be possible to deliver a lower cost “Do Minimum” scheme within the existing highway boundary. However, this would not deliver the level of capacity enhancement required to serve peak demands in Port activity, which is a key objective of the scheme. In addition, subject to due diligence, sufficient funding has been secured to deliver the “Do maximum” scheme. On this basis, the “Do Minimum” scheme is not recommended.

DETAIL (Including consultation carried out)

5. The “Platform to Prosperity” scheme is a long standing road improvement proposal, which was originally conceived in the mid 1990s as part of the Port of Southampton Western Approach scheme. This was partly implemented in 2000 with the dualling of West Quay Road, but there was insufficient funding at that time to continue the improvements along Town Quay and Platform Road. However, the policy aspiration to deliver this scheme has remained in both the Local Development and Local Transport Plans.
6. A Round 2 Regional Growth Fund bid for the Platform to Prosperity project was submitted to the Department for Business and Skills (BIS) in July 2011. On 31 October 2011, it was announced that, subject to contract, the bid was successful. The total estimated cost of the project is £8.040m. £5.595m will be funded through the Regional Growth Fund, £1.445m from the City Council (£0.190m of this is already approved within the Environment and Transport Capital Programme) and £1.000m from ABP.
7. The “Platform to Prosperity” scheme will implement a new dual carriageway route along a widened alignment of Platform Road from the Town Quay / High Street junction through to Canute Road and Terminus Terrace. This will allow the existing gyratory system around the western and northern sides of Queen’s Park to be downgraded to a local access route and the eastern end of Queen’s Terrace will be closed as a through route. A new all moves traffic signal junction will be provided at Dock Gate 4 and the scheme will allow the provision of a new traffic signal controlled Dock Gate 5, which will increase

flexibility in the operation of the Port. The project will also make provision for traffic to access Central Bridge from Terminus Terrace, providing an alternative route to the Itchen Bridge for eastbound traffic, to reduce congestion in Canute Road.

8. The existing gyratory system around Queen's Park to be closed as a through route, but remain open to local traffic access. This will reduce severance and allow Queen's Park to be properly integrated with the city centre to the north and west. The scheme will provide public realm enhancements in Queen's Terrace. Other significant enhancements will be made to Queen's Park as mitigation for the loss of open space in Vokes Park to the south of Platform Road. These include the removal of Latimer Street (replaced by a shared use cycle and footpath) and removal of the 22 space off-street car park. These parking spaces will be re-provided on-street in Queen's Terrace.
9. It is anticipated that comprehensive improvements to Town Quay would be implemented as part of the Royal Pier re-development and are not part of this scheme. However, the "Platform to Prosperity" scheme will investigate short term, low cost measures on Town Quay to improve capacity in advance of more comprehensive improvements.
10. Consultation on the principle of the "Platform to Prosperity" scheme has historically been undertaken when Local Development and Local Transport Plans, which have both supported road improvements in Platform Road and form part of the City Council's Policy Framework. A detailed public consultation and exhibition of the proposals will be undertaken in Spring 2012. In advance of this, a number of key stakeholders have been consulted. These include ABP, Hampshire Chamber of Commerce, Business Solent (Future Southampton Group), Open Space interest groups, Bus Operators and the Southampton Cycling Campaign. Subsequent statutory consultation will take place in relation to Traffic Regulation Orders and proposed Open Space changes.
11. The scheme will be designed and implemented by Balfour Beatty through the Highways Service Partnership contract.
12. All matters relating to the implementation, design and detail of the project are Executive functions and / or Planning and Rights of Way panel functions and will be brought forward for decision by those bodies in due course once all preparatory work has been finalised.

RESOURCE IMPLICATIONS

Capital

13. This report creates a "Platform to Prosperity" scheme, with an estimated capital cost of £6.850m, made up from £5.595m of Regional Growth Fund and £1.445m of City Council capital funding. The cost estimate includes a 44% optimism bias (contingency), which is applied to schemes at this stage of development.
14. The total value of the scheme, as included in the funding bid, is £8.040m, which also includes a £1.000m contribution from ABP and £0.190m of City Council funding, which has already been added to the Capital Programme, is approved to spend and is being used to develop the outline scheme design.

15. The Regional Growth Fund (RGF) capital grant is phased £1.241m in 2012/13 and £4.354m in 2013/14. As the RGF monies are only available until March 2014, this funding will be used in advance of the City Council's match funding.
16. Recommendations (i) and (ii) accept the RGF award and add budgets to the Capital Programme. It is anticipated that the City Council match funding commitment of £1.255m of funding is added to the programme in recommendation (iii). It is anticipated that this would be funded by Local Transport Plan (LTP) Integrated Transport monies and any available Strategic Transport Contributions. However, in the unlikely event that this settlement is reduced, the Council would be required to fund this shortfall. This is covered by recommendation (iii). A subsequent Cabinet report will approve expenditure on this scheme, in accordance with Financial Procedure Rules.
17. ABP will make a total contribution of £1.000m to the scheme. This will be made of three elements:
 - Provision of ABP owned land required to deliver the project;
 - Internal modifications and improvements within the Port Estate to improve the efficiency and flexibility of traffic movements, complement the external highway improvements; and
 - Provision of direct funding contribution towards the scheme.The value of the latter contribution will be established once the costs of the first two measures are known. It is anticipated that this will be programmed for expenditure in 2014/15 and will be added to the Capital Programme at a later date.
18. The Conditional Grant Offer Letter has a claw back option and if the number of jobs created is less than predicted, over a nine year monitoring period, then there is a requirement to part repay the grant. The 'job target' is an aggregate number of 196 full time jobs newly created and directly in connection with the project. If the full grant is claimed, the Council will, therefore, be required to repay £28,547 for each job not created.

Revenue

19. There are no on-going identified revenue implications for the scheme. Although the off street car park in Queen's Park will be closed, the spaces will be relocated on street in Queen's Terrace. Some other existing on street parking spaces in Platform Road will also need to be relocated to Queen's Terrace. There will be no net overall loss in parking provision.
20. There are some potential short term revenue implications during the construction of the project. There will be periods when there is a net reduction in parking spaces, which could potentially affect revenue. It is also possible if construction causes disruption, that Itchen Bridge revenues would be affected. Construction will be managed to minimise these impacts and these issues are not anticipated to be significant.

Property/Other

21. The scheme requires the widening of Platform Road on its southern side. This impacts on Open Space (Vokes Memorial Gardens) and also requires some third party land, primarily from ABP. The following issues need to be addressed:

- Acquisition of land within third party ownership to deliver the scheme;
- The appropriation of Public Open Space at Vokes Memorial Gardens;
- Negotiating the release from restrictive covenant on Vokes Memorial Gardens.

The diversion and relocation of a number of utilities located within Vokes Memorial Gardens.

22. Capita has been commissioned to undertake these key tasks. Cabinet approval will subsequently sought to advertise the appropriation and disposal of Public Open Space.

LEGAL IMPLICATIONS

Statutory power to undertake proposals in the report:

23. The main powers to deliver the scheme are Part 13 of the Town and Country Planning (General Permitted Development) Order 1995, the Highways Act 1980, as Amended and the Road Traffic Regulation Act 1984.

Other Legal Implications:

24. The offer from BIS has a number of important contractual obligations, which will be formally approved by Cabinet in due course. A copy of the Conditional Grant Offer Letter is provided in confidential Appendix 1. The most important issues to note are:-
- Potential requirement to repay part of the grant should the number of direct jobs created be less than predicted;
 - Provision of a Confirmatory Due Diligence Report;
 - Confirmation of ABP’s funding commitment to the project (Recommendation iv); and
 - Confirmation of the City Council’s approved funding commitment to the project (Recommendation iii).
25. Planning consent will be required to change the car park and Latimer Street in Queen’s Park to Open Space. This planning application will also be used to stop up the highway designation of Latimer Street.

POLICY FRAMEWORK IMPLICATIONS

26. The “Platform to Prosperity” scheme is consistent with the Council’s policy framework. The scheme has been safeguarded in the Local Development Plan and identified as a priority within the Local Transport Plan.

AUTHOR:	Name:	Phil Marshall	Tel:	023 8083 2590
	E-mail:	philip.marshall@southampton.gov.uk		

KEY DECISION? Not applicable

WARDS/COMMUNITIES AFFECTED:	Bargate
------------------------------------	---------

SUPPORTING DOCUMENTATION

Non-confidential appendices are in the Members' Rooms and can be accessed on-line

Appendices

1.	Regional Growth Fund (RGF) Conditional Grant Offer Letter
----	---

Documents In Members' Rooms

1.	None.
----	-------

Integrated Impact Assessment

Do the implications/subject of the report require an Integrated Impact Assessment (IIA) to be carried out.	Yes
--	-----

Other Background Documents

Integrated Impact Assessment and Other Background documents available for inspection at:

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	None	
----	------	--