

Southend-on-Sea Borough Council

Report of Corporate Director for Place

To
Cabinet
on
7th January 2014

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Agenda
Item No.

A127/B1013 Tesco Junction Improvement Local Pinch Point scheme

Economic & Environment Scrutiny Committee
Executive Councillor: Councillor Cox

1. Purpose of Report

To advise Cabinet that:-

- 1.1 the A127/B1013 Tesco Junction Improvement scheme has been successful in receiving £3.263m "Local Pinch Point Fund" Tranche 4 grant funding from the Department for Transport (DfT);
- 1.2 the design process is on-going and that the scheme is required to be constructed by April 2015, in order to meet the grant conditions;
- 1.3 the consultation process has commenced, is on-going and will continue throughout the period of the scheme design and that a communications plan in line with that adopted to support the delivery of the Better Southend schemes will be developed;
- 1.4 the principles of the Transport Access Routeing Plan (TARP) will be adopted, which seeks to minimise disruption and delay to road users; and
- 1.5 the procurement of the contractor will be made through the Eastern Highway Alliance Framework.

2 Recommendation:

- 2.1 **That Cabinet agree to accept the grant funding subject to the formalities of the grant agreement being signed off by the S151 Officer, which the Department for Transport (DfT) has advised will be sent early January 2014;**
- 2.2 **That Cabinet agree the preliminary design proposals and the preliminary programme for design and construction, including the advertisement of any necessary traffic regulation orders;**

- 2.3 That delegated authority be given to the Chief Executive and Corporate Director for Place, in consultation with the Portfolio Holder for Public Protection, Waste and Transport to agree the detailed design following circulation of these details to all Members and discussions with the Leaders of the opposition parties;**
- 2.4 That Cabinet delegate authority to the Chief Executive and Corporate Director for Place in consultation with the Portfolio Holder for Public Protection, Waste and Transport to approve the appointment of the successful contractor through the Framework Contract in place.**

3. Background

- 3.1 The Council has a long standing strategic priority to address capacity issues, accessibility and journey time reliability along the A127 corridor. Local Transport Plan 3 (LTP3) identifies the A127 as a key component of the transport network providing the main strategic link to the Town Centre and Thames Gateway South Essex. Improvements to the route have been carried out incrementally and as funding has been applied for and granted. The Better Southend schemes: A127 Progress Road, A127 Cuckoo Corner and A127/A13 Victoria Gateway made the strong case that they were required to support delivery of employment and housing, particularly at the Progress Road Business Park, London Southend Airport (LSA), Town Centre and Shoeburyness.
- 3.2 The next major junction improvements identified are at A127 Kent Elms, A127 The Bell and A127/B1013 Tesco Roundabout. These are being developed as an integral part of the access improvements supporting the delivery of the Business Park employment areas adjacent to the Airport and as such are an integral part of the Transport Strategy for the LSA and Environs Joint Area Action Plan (JAAP).
- 3.3 Over the last year or so, the Department for Transport (DfT) has invited bids from local authorities to the Local Pinch Point Fund (LPPF), principally for small schemes funding of between £1m and £5m and above £5m for large schemes.
- 3.4 The Fund is designed to promote economic growth through the rapid deployment of schemes that remove transport bottlenecks, or prevent the emergence of new transport problems. It is, therefore, aimed at those schemes that can be delivered quickly, with the DfT funding contribution only available in financial years 2013/14 and 2014/15.
- 3.5 Following agreement with the Portfolio Holder for Public Protection, Waste and Transport (SO46) an application for the A127/B1013 Tesco Scheme was made to the LPPF in February 2013 and subsequently amended and resubmitted at the end of October 2013. This was as a result of greater certainty of cost, design revisions and modelling updates. The overall cost was reduced from £7.074m to £4.754m. The scheme meets the criteria for the LPPF, the deliverability timetable and the scheme proposal meets the value for money criteria.

- 3.6 It was announced on the 13th December 2013 that the scheme was successful and will receive £3.263m grant funding towards the total £4.754m scheme cost, with a £1.491m Southend contribution (30% minimum contribution was a requirement of the grant funding).
- 3.7 DfT funding is 100% capital and therefore can be used only for scheme construction costs; scheme preparatory costs are required to be met by the scheme promoter.
- 3.8 The scheme programme is as set out below:-
- Project Initiation January 2014
 - Preliminary Design Complete March 2014
 - Utility Diversions commence July 2014
 - Detailed Design Complete September 2014
 - Main Construction Works commence September 2014
 - Construction Complete April 2015
 - Project Complete July 2015

4. The Business Case

Whilst modelling (using the Southend Transport Model to predict the effect of growth on traffic conditions) the A127, it became apparent that the current A127/B1013 Tesco junction will perform poorly with the predicted increase in traffic due in 2021 and beyond. The proposed options were modelled using the VISSIM simulation model tool. This incorporates the A127 Progress Road junction through to A127 Cuckoo Corner junction and incorporates traffic growth and employment for the JAAP (including the Airport Business Parks) and known development and housing growth within Rochford.

The preliminary scheme design produced for the Business Case reflects the outcome of the consultation process and various modelling iterations to produce the best value for money case to satisfy the DfT requirement. The on-going consultation on the detailed scheme design will refine the design further. Proposals include for a spur to provide access to the Nestuda Way Business Park to help unlock development. This will be subject to discussions with the Council's Asset Management team.

The proposals reflect the need to balance the traffic flows on the roundabout arms and be able to respond to different patterns of movement. Similar principles to that designed for Cuckoo Corner will be adopted with lane widening, new pedestrian/cycle crossings. There is flexibility to adjust the signal timings using computer technology and sensors in the road. The segregated left turn from A127 to the B1013, Nestuda Way will be removed and additional capacity provided to this manoeuvre by adding an extra lane into the roundabout. This improves the layout at the roundabout with St Laurence Way, which has attracted some concern over the layout of the dedicated lanes. The preliminary proposal is shown in **Appendix 2**. The existing layout is shown in **Appendix 1**.

Members are requested to agree the preliminary design and to give delegated authority to the Chief Executive and Corporate Director for Place in consultation

with the Portfolio Holder for Public Protection, Waste and Transport to agree the final scheme design and enable the appointment of a contractor to undertake the required civil engineering works. These delegations are sought to ensure that the scheme can be delivered within the grant timescale.

5. Other Options

Other options were considered in the Business Case preparation, but did not offer the same level of benefits. Alternative transport interventions involving less intensive infrastructure will not provide the necessary capacity to support the planned development in terms of the JAAP objectives. The option of not proceeding with the scheme would compromise the ability to deliver the JAAP Transport Strategy, which has already been based on extensive transport modelling work and consultation.

6. Reasons for Recommendations

The outcome of the work undertaken for the Pinch Point bid has identified that the proposed option is the best scheme to support the development of the Airport Business Parks, employment and housing growth and will support the delivery of the JAAP and can be delivered within the LPPF timescales.

Funding for the A127 Kent Elms and A127 Bell schemes is being sought through the Local Growth Fund (LGF) Strategic Economic Plan (managed by the SELEP). This funding will be announced in July 2014 to run from 2015 to 2021. This success with the Local Pinch Point Fund provides the opportunity to commence construction earlier than would be possible then through Growth Fund route. This scheme represents the next step in improving the junctions on the A127 and is a strong measure of support from the Government in terms of encouraging economic growth in Southend.

7. Corporate Implications

7.1 *Contribution to Council's Vision & Corporate Priorities*

This scheme contributes to the Council's vision, particularly in terms of creating a thriving and sustainable local economy.

7.2 *Financial Implications*

Overall scheme costs have been produced based on a quantified risk assessment and optimism bias based on DfT WebTAG* guidance.

The Local Pinch Point Fund is designed to promote economic growth through the rapid deployment of schemes that remove transport bottlenecks, or prevent the emergence of new transport barriers, and is therefore aimed at those schemes that can be delivered quickly, with the DfT funding contribution only available in financial years 2013/14 and 2014/15.

DfT grant funding is 100% capital and therefore can be used only for scheme construction costs and land acquisition. The Department will not fund scheme

preparatory costs, sunk costs or Part 1 Claims under the Land and Compensation Act 1973 - these costs rest entirely with the scheme promoter.

The total scheme cost is estimated at £4.754m with £3.263m grant funding towards the construction costs and with a Southend contribution of £1.491m from the capital programme. The condition of the grant funding required the promoter to contribute a minimum of 30% of total project cost. The funding profile contained within the Pinch Point Bid is as follows:

Funding Profile	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17 - 2021/22	Total
DfT Funding	£0	£3,263,400	£0	£0	£3,263,400
LA contribution	£320,000	£900,000	£100,000	£171,000	£1,491,000
	£320,000	£4,163,400	£100,000	£171,000*	£4,754,400

* completion up to financial year 2021/22 to allow for the potential Part 1 Land Compensation Claims

The grant letter is expected in January and will require sign off by the S151 Officer.

The A127/B1013 Tesco scheme currently has a £710,000 allocation from the SBC Capital Programme over two years (2013/14 and 2014/15) to support the development of the Business Case and design. In total £2.179m is available during this period from the Capital Programme, for the three A127 schemes, as match funding for grants. Therefore, the SBC contribution for this scheme can be fully funded from the existing capital allocation. There will be a balance left in the Capital Programme of £1.351m to progress the design of The Bell and Kent Elms Corner schemes. In due course, should these schemes be successful in receiving approval/funding from the Local Growth Fund (LGF), then a further report will be prepared seeking approval and if required additional grant funding from the Council's Capital Programme over a time period dictated by the LGF constraints.

7.3 Legal Implications

7.3.1 Spending in accordance with the provision of funding from the grant is a requirement of accepting the funding. Some of the traffic management features will require the advertisement of Traffic Regulation Orders.

7.4 People Implications

7.4.1 The schemes affects the lives of all those who live, work and visit the town. The implications are positive as the intention is to provide an improved accessibility, improved network to enable better journey times, reduce congestion and improved safety.

7.5 Property Implications

7.5.1 Nil as all the improvements fall within the Highway Boundary, with the exception of the access to the Council owned land to west of Nestuda Way. This will be

subject to further discussions and agreement with Asset Management as to the extent of the access spur.

7.6 *Consultation*

- 7.6.1 The consultation process has commenced and is on-going. It is based on the “Southend Together” toolkit which seeks to engage and inform residents businesses and key stakeholders throughout the life of the scheme.
- 7.6.2 A127 schemes were reported to Cabinet on 8th January 2013 with cross party support towards developing the schemes. Proposals for consultation were contained within this report. The consultation process commenced focusing on community engagement conversations to explore the issues and problems around the junctions to hear the views of residents, businesses, key stakeholders and drivers. The consultation plan for A127 Tesco junction will be reviewed to reflect the scheme programme.
- 7.6.3 The engagement consultation exercise for the three A127 schemes commenced in February 2013 with all Councillors given the opportunity to attend a discussion, focus group or feedback session to consider and offer input about potential improvements to the junctions, together with Opposition Group Transport Leads briefings. This was followed by a focused business group session in March 2013 and on site engagement and online questionnaire.
- 7.6.4 The A127 Tesco consultation process will continue throughout the life of the project and that principles of the Better Southend communications plan will be adopted. The Better Southend website will inform residents, businesses and visitors of the progress of the works throughout the design and construction. Officers will also engage further with those businesses located at the junction in particular The Royal Bank of Scotland, Tesco and the Strawberry Field.
- 7.6.5 The principles of the Better Southend Transport Access Routeing Plan (TARP) will also be adopted, which seeks to minimise disruption and delay to road users. Investigation and consultation will be undertaken during the design process to determine the best way to maintain access to the businesses, residents and the town during the construction of the junction improvement.
- 7.6.6 Lessons learnt during the previous Better Southend works will be reviewed and transposed within this junction improvement and thereafter transferred to A127 Kent Elms and A127 Bell junction improvements.

7.7 *Equalities and Diversity Implications*

- 7.7.1 Best practice will be adopted in the design proposals with the aim to improve accessibility for pedestrians, cyclist and the disabled which will be a major factor in the process of the schemes. An equality Impact assessment will be undertaken for the proposed scheme.

7.8 *Risk Assessment*

7.8.1 Financial risk assessments and risk registers were produced to inform the Local Pinch Point Bid. Risks will be reviewed throughout the life of the project and mitigation measures undertaken to reduce risks.

7.9.9 *Value for Money*

7.9.1 The Pinch Point Bid identified the scheme as high value for money providing a benefit cost ratio of plus 40. Figures greater than 5 are considered to offer very good value for money.

7.10 *Community Safety Implications*

7.10.1 These schemes will improve access to local amenities and provide improved lighting giving a perception of increased safety.

7.11 *Environmental Impact*

7.11.1 The scheme will help deliver an improved local environment and contribute positively towards sustainable transport objectives.

7.11.2 The development of the design will inform the environmental aspects, landscaping and environmental measures will be planned to mitigate the highway development.

8. Background Papers

8.1 LTP3 (2011-2026)

8.2 Framework for Prioritising Strategic Transport Infrastructure in the SELEP area

8.3 Devolving local major transport schemes DfT 31st January 2012

8.4 SELEP response to Devolving local major transport schemes

8.5 Devolving local major transport schemes: consultation responses

8.6 Local frameworks for funding major transport schemes: guidance for local transport bodies DfT 23rd November 2012.

8.7 Report to Cabinet 8th January: A127 Kent Elms, A127 The Bell Corner and A127 Tesco Junction Improvements and progress of South East LEP Local Transport Body

9. Appendices

9.1 Appendix 1 – existing layout plan

9.2 Appendix 2 – proposed layout plan