

Southend-on-Sea Borough Council

Report of Corporate Director of Enterprise, Tourism & the
Environment

To

Cabinet

on

8th January 2013

Agenda
Item No.

Report prepared by: Paul Mathieson (Group Manager)
Strategic Transport and Planning Policy

**A127 Kent Elms, A127 The Bell Corner and A127 Tesco Junction Improvements and
progress of South East LEP Local Transport Body
Economic & Environment Scrutiny Committee
Executive Councillor: Councillor Cox
A Part 1 Public Agenda Item**

1. Purpose of Report

- 1.1 To advise Members that the A127 Kent Elms, A127 The Bell Corner and A127 Tesco Junction Improvements have been prioritised in the top three for “short term” transport schemes (in respect of Economic Growth/Enterprise) within the South East Local Enterprise Partnership (SELEP) process and;
- 1.2 To advise Members that it is proposed to progress with the preparation of scheme proposals so that the Council is in a position to bid for the necessary funding to deliver these schemes;
- 1.3 Update Members on the progress with the creation of the new Local Transport Body for the South East Local Enterprise Partnership (SELEP) Area;

2. Recommendation:

- a. That Members note that A127 Kent Elms, A127 The Bell Corner and A127 Tesco Junction Improvements all feature in the top three for “short term” schemes in the SELEP prioritisation exercise;
- b. That approval is given to progress the key stages in the programme up to preferred option selection to meet the Department for Transport’s time frame for the proposal for “Devolving Local Major Transport Schemes” and the requirements of the emerging SELEP Local Transport Body;
- c. That Members note progress with the creation of a new Local Transport Body for the SELEP area.

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, Town Centre and Shoeburyness. The next major junction improvements identified are at A127 Kent Elms, A127 The Bell and A127 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.
- 3.2 At the meeting of the Special (Southend and Rochford Council) Joint Committee, held on 12th November 2012, to consider the London Southend Airport and Environs Joint Area Action Plan (JAAP), it was agreed to proceed to statutory pre submission consultation, subject to approval by the respective Councils` Cabinets. The Transport Section of the JAAP (policy T7 Network Capacity Improvements) sets out a policy to “.....**improve affected junctions and provide the capacity required to ensure that the junctions work effectively during the peak period.....**”. The supporting text to this policy states that The Bell, Kent Elm`s Corner and the Tesco Junctions will all require capacity improvements over the JAAP period.
- 3.3 In 2012 the SELEP commissioned a framework for prioritising strategic transport infrastructure within the SELEP area which focused on identifying those transport and infrastructure developments which are of greatest importance to the growth of the SELEP area. The method focused on the following assessment criteria:
- **Economic Growth/Enterprise criteria** – based on the potential to stimulate employment and economic activity through the provision of enhanced access to key employment areas (Priority Growth Zones). The potential to stimulate employment and economic activity through the provision of enhanced connectivity between Priority Growth Zones and access to/from International Gateways. New dwellings and/or employment floorspace directly released for development by a transport scheme.
 - **Viability criteria** – based on standard DfT WebTAG* appraisal processes as follows:
 - Benefit Cost Ratio (BCR)
 - Environmental impact
 - Reducing the overall need to travel
 - Reducing natural resource consumption
 - Improving overall levels of safety.
 - **Deliverability criteria** – to provide a clear indication of the timing of delivery to ensure the following:

- Sources of funding that have been identified/secured.
- Land issues: The need to acquire third party land/CPO required.
- Planning issues: Local planning consents obtained/requirement for IPC approval.
- Legal issues: Act of Parliament /restrictive covenants required.
- Evidence of cross party support for the scheme across the LEP
- Evidence of cross party support for the scheme across the local authority

3.4 The projected growth of employment as set out in the draft Joint Area Action Plan (JAAP) has been incorporated within the transport modelling and the SELEP prioritisation exercise, which provided a positive result in the scheme ranking (as assessed by the Economic Growth/Enterprise criteria). In addition development of new housing in Rochford and development at Fossets Farm has also been factored in with developer`s contribution sought.

3.5 The initial prioritisation exercise has been assessed purely on the economic growth/enterprise criteria and did not consider viability and deliverability criteria's. The outcome of this work was reported to the SELEP Full Board Meeting on 22nd June 2012.

4.0 Local Transport Body

45.1 During the prioritisation exercise, the Department for Transport issued a consultation document on "Devolving Local Major Transport Schemes", to which this Council and the SELEP provided a response.

4.2 The consultation document proposed that the making of key decisions affecting major transport schemes within SELEP areas should be more locally accountable. It was proposed that Local Transport Bodies should be created, replacing the former role of DfT in appraising individual scheme business cases and making decisions on funding allocations. Local Transport Bodies should be better placed to make decisions which genuinely represent what is right for local areas, with the LEP having a role in providing business input and coordination to the Local Transport Body. In July 2012, DfT published the responses to the consultation document setting out the requirements for the next phases of implementing LTBs. DfT required by 28th September 2012 confirmation of the LEP's LTB geography. This has been confirmed as the same as the SELEP boundary.

4.3 Following DfT's recent guidance on Local Transport Bodies published 23rd November the revised implementation timeframe is set out below:

Indicative Date	Proposed Activities
Shortly	DfT publishes range of indicative allocations per LEP
February 2013	Local Transport Body to submit proposals for sign-off of governance, financial management, accountability, and meeting and testing value for money
July 2013	LTB to have agreed their programme of priorities for delivery

	after 2015
April 2015	Schemes ready for construction from 2015 onwards

4.4 DfT has yet to publish the range of allocations per LEP, however this is expected shortly. The current thinking (based on a population calculation) is that this could be £25m per annum for four years for the whole of the SELEP from 2015/16 – 2018/19.

4.5 The SELEP Strategic Transport Infrastructure Group will be considering governance proposals at the SELEP Board on the 7th December 2012, with the view that shadow governance arrangements will be put in place from December 2012. LTB members can directly influence the prioritisation work that will be needed by April 2013.

5.0 Local Transport Bodies prioritised schemes

5.1 As set out in the report on the prioritisation exercise, no work was carried out on deliverability and viability at the initial stage. It will now be necessary to reassess the prioritisation of the projects with more details in place around viability and deliverability in preparation for the LTB's early requirement to formally prioritise bids for funding assessment. The current proposal is that the LTB should have a prioritised list of projects by April 2013, so that when funds become available, they can be quickly allocated to deliverable and effective projects.

5.2 The three A127 improvements schemes are currently top three within the SELEP's prioritised "short term" road schemes (out of the 25 that were prioritised). It is proposed that these are now developed further in order to support the viability and deliverability criteria (see above) as part of the LTB assessment process, in readiness for the April 2013 deadline. The schemes will be developed with the following priorities:

- 1 - A127 The Bell Junction – Estimated scheme cost £5m (based on the Progress Road scheme costs) and proposed for short term priority 0 -5 years. Key outcome is to support the development of the Airport Business Parks, employment and housing growth. Improve the junction capacity and access arrangements to reduce congestion, improve accessibility and safety for pedestrians/cyclists.
- 2 - A127 Kent Elms Junction - Estimated scheme cost £5m (based on the Progress Road scheme costs) and proposed for short term priority 0 -5 years. Key outcome is to support the development of the Airport Business Parks, employment and housing growth. Improve the junction capacity and access arrangements to reduce congestion, improve accessibility and safety for pedestrians/cyclists.
- 3 - A127 Tesco Roundabout and Traffic Management - Estimated scheme cost £5m (based on the Cuckoo Corner scheme costs) and proposed for short term priority 0 -5 years. Key outcome is to support the

development of the Airport Business Parks, employment and housing growth. Improve the junction capacity and access arrangements to reduce congestion, improve accessibility and safety for pedestrians/cyclists.

- 5.3 These three schemes are currently in a good position on the prioritised list but further work needs to be done on deliverability and viability to ensure that Southend schemes maintain these levels within future prioritisation exercises for the LTB post December 2012.
- 5.4 Obtaining funding via the Local Transport Body is currently the Council's preferred source of acquiring a significant contribution towards improvements at these junctions. However, it is likely that contributions will also be required to support the DfT funding. The level of this is as yet undecided, but as a guide the minimum level of DfT contribution was 10%.
- 5.5 It is currently not clear as to the level of funding contribution from LTB's. For example, the grant could be inclusive of design costs, development of the business case or a contribution for construction only. This will be made clearer in the coming months and be agreed by April 2013. The Council was successful in obtaining a £5m grant from DfT towards the construction costs of Cuckoo Corner and £4.7m for the A127 Progress Road scheme, which was funded via a Community Infrastructure Fund 2 Bid and included a contribution towards design costs and all of the construction costs. The cost for the development of the business case was borne by the Council.

6. Feasibility Study

- 6.1 Based on past experience the study will focus on the level of junction improvements that can be achieved to the value of £5m (including design costs). Improvements at The Bell and Kent Elms Corner will require the removal of the foot bridges and replacement with suitable surface level pedestrian crossing facilities. This will also allow the installation of improved pedestrian/cycle crossings.
- 6.2 The first stage, which is currently underway, is the modelling of simple options using the Southend Transport Model and the VISSIM simulation model. The model incorporates the A127 Progress Road junction through to A127 Cuckoo Corner junction inclusive and incorporates traffic growth and employment for the Airport Business Parks, known development and housing growth within Rochford at 2021.
- 6.3 Whilst modelling Kent Elms and The Bell junctions it has become apparent that the current A127 Tesco junction will perform poorly with the increase in traffic due in 2021.
- 6.4 Feasibility options at a reasonable level of design detail (suitable for estimating costs and further consulting on) will be drawn up and refined to reflect the outcome of the consultation process. Further modelling scenarios will also be required in order to come to the preferred option.

6.5 Consultation will be undertaken on options before preferred options are agreed or recommended. This will need to be in place to support the case for funding as part of the LTB process.

7. Consultation

7.1 This report was considered by Members of the Economic & Environmental Scrutiny Committee as part of pre Cabinet Scrutiny on 29th November 2012. Members of the Committee were very supportive of the proposals to improve these key junctions and resolved 'that the proposals in the report be endorsed for submission to Cabinet for consideration at its meeting on 8th January 2013'.

7.2 In addition to this opposition portfolio lead Members were also briefed on the proposals.

7.3 Engagement and Consultation Plans have been prepared for each junction based on the "Southend Together" toolkit. It is proposed that the consultation process commences focusing on community engagement conversations to explore the issues and problems around the junctions. Officers are keen to hear the views of residents, businesses, key stakeholders and drivers and it is proposed to invite them to a local event in January to capture their perspective of the issues at the junctions.

7.4 In December, prior to the local events, officers propose to hold a series of meetings for Members of the Council. It is important within the prioritisation exercise that there is cross party support for the schemes and the officers will be focusing on schemes that maximises and balances the benefits of the improvements with resident and business support.

7.5 The draft Engagement and Consultation Plans for each junction have been prepared can be made available on request.

8. Other Options

8.1 To be able to deliver the employment needs of the Borough and planned housing growth, the schemes will need to progress as identified in this report. 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 schemes would be in conflict with the JAAP Transport Strategy, which has been based on extensive transport modelling work and consultation.

8.2 There are currently no realistic alternatives to seeking funding from other than the Local Transport Body route. This is intended to support employment and housing growth and the Southend schemes are in a good position to seek a proportion of this fund.

9. Reasons for Recommendations

9.1 It traditionally takes a minimum of four years for schemes to be construction ready, therefore in order for A127 Kent Elms, A127 The Bell Corner and A127

Tesco Junction Improvements to progress to be ready for construction in 2015 the consultation process needs to commence.

- 9.2 The outcome of the consultation and feasibility studies will support the schemes in the prioritisation review and contribute towards certainty of scheme costs and support benefit cost ratios supporting the business case.
- 9.3 The schemes will support the development of the Airport Business Parks, employment and housing growth.

10. Corporate Implications

10.1 Contribution to Council's Vision & Corporate Priorities

10.1.1 The elements within the A127 schemes contribute to the Council's vision, particularly in terms of creating a thriving and sustainable local economy.

10.2 Financial Implications

10.2.1 Overall scheme costs have been produced based on £5m for each scheme.

10.2.2 The constraints on the allocation of funding from the Local Transport Bodies are not known at this point in time and unclear how the funding will be allocated. The worst case scenario would be that the business case and scheme development costs will be required to be locally funded which will require a draw from the capital programme. The programme below identifies typical timeframe and costs for each scheme for the worst case scenario.

Typical Programme for an individual £5m scheme

	April SELEP Decision			Construction starts		
	12/13	13/14	14/15	15/16	16/17	17/18 - 23/24
Feasibility	£50,000					
Preferred Option		£25,000				
Business Case development	incl					
Design Phase up to Construction		£355,000	£355,000			
Utilities/Construction Phase				£4,110,000		
SBC fees						
Consultation Process	incl					
Part 1 Compensation Claims						£180,000
		£5,000,000				
SBC Total Costs	£785,000					£180,000
DfT/LTB Total Costs				£4,110,000		

10.2.3 The business case development and design phase are estimated to cost typically within the range of 10-15% of the construction costs, this figure will be firmed up once the requirements of the business case development is known.

The costs identified within the design phase consist of staff time, specialist support, on site investigations (geotechnical, environmental, pavement, drainage etc) and utilities design costs.

10.2.4 By April 2013 the LTB prioritisation exercise should be completed with prioritised schemes identified. The Council will then be in a position to determine if it is worth continuing with the development of all three business cases. To progress the development of these schemes for bidding to the Local Transport Body it will require a level of feasibility work to be undertaken. The estimated cost of this feasibility work is region of £200k. The initial funding of this will come from within existing Council resources as £100k of Planning Delivery Grant and £100k from the Council's contingency, If the schemes develop to full capital investment then the feasibility costs can then be charged to capital as part of the schemes overall cost.

10.2.5 If members approve the development of business cases for the successful schemes, the council's financial input towards the capital requirement will have to be considered in the context of the council's overall capital programme as part of the budget cycle.

10.2.6 The table below identifies current and estimated future funding required if all three schemes remain top of the prioritised list.

	13/14	14/15
A127 Kent Elms	£355,000	£355,000
A127 The Bell	£355,000	£355,000
A127 Tesco	£355,000	£355,000
Total	£1,065,000	£1,065,000

10.2.7 The Bell Junction has a potential contribution from Fossets Farm stadium development and a committed contribution from Bellway Homes for the Hall Road development in Rochford with other alternative sources of funding continuing to be investigated.

10.3 *Legal Implications*

10.3.1 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.

10.3.2 It is proposed during the community engagement process, initial conversations are held with the businesses on their views with respect to the issues at the junction.

10.4 *People Implications*

10.4.1 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.

10.5 Property Implications

10.5.1 Nil

10.6 Consultation

10.6.1 The consultation process will be based on the “Southend Together” toolkit which seeks to engage and inform residents businesses and key stakeholders throughout the life of the scheme.

10.6.2 The consultation process for these schemes proposes to kick off by seeking residents, businesses and key stakeholders views on the problems and issues with the junctions which will inform the feasibility study. It is proposed that these commence in January 2013.

10.6.3 The ward members are key to the success of the consultation process and will be advised and will invite their input into the organising and structure of the events.

10.7 Equalities and Diversity Implications

10.7.1 Best practice will be adopted in the 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.

10.7.2 Currently there are accessibility constraints within the Kent Elms and Bell junctions which will be focused on within the scheme proposals.

10.8 Risk Assessment

10.8.1 Scheme risk assessments will be prepared for the Business Case and will be updated and monitored throughout the project.

10.9.9 Value for Money

10.9.1 The processes set out secure value for money for the Council.

10.10 Community Safety Implications

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

10.10.2 Kent Elms and Bell junctions currently suffer from a lack of accessibility across the junction the development of the schemes will look to address these constraints.

10.11 *Environmental Impact*

10.11.1 These schemes will help deliver an improved local environment and contribute positively towards sustainable transport objectives.

10.11.2 The development of the business case and the design process will inform the environmental aspects. Landscaping and environmental measures will be planned to mitigate the highway development.

11. **Background Papers**

11.1 LTP3 (2011-2026)

11.2 Framework for Prioritising Strategic Transport Infrastructure in the SELEP area

11.3 Devolving local major transport schemes DfT 31st January 2012

11.4 SELEP response to Devolving local major transport schemes

11.5 Devolving local major transport schemes: consultation responses

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

12. **Appendices**

None