

**SOUTH EAST ENGLAND REGIONAL ASSEMBLY
REGIONAL TRANSPORT BOARD**

Date: 16 January 2009

Subject: **Programme Management and Monitoring**

Report of: Regional Planner

Recommendations:

It is recommended that the Board agree Annex 2 and Annex 3 as its input into the RFA submission.

Purpose of Report:

To update the Board on the status of the regional programme and to advise on matters relating to the management of the programme.

Key Issues:

It is proposed that the Board's input to the RFA submission focuses on two key issues;

- a) providing advice on a firm programme of investments for the period to 2013/14;
- b) begin to map out the priority areas for investment in the period post 2013/14, using the existing programme to 2015/16 as its starting point but taking into account the emerging outcome of the transport challenges work currently underway.

1. Context

- 1.1 As part of the second round of Regional Transport Advice (RFA) the Department for Transport has asked the region to ensure that its advice on investment priorities is affordable, deliverable and meets regional transport needs.
- 1.2 On 25 November 2008 the DfT provided a summary of progress during the last year in delivering the 2006/07 to 2015/16 RFA programme (Annex 1). This is the first time that the DfT have provided a summary in this way; it is expected that this will become part of the cycle of monitoring progress with the programme.
- 1.3 It is encouraging to note that South East England was the only region to spend its RFA allocation in full. However this is primarily because of expenditure by the Highways Agency. There remains an underlying concern as to the rate of progress being made with Local Transport Authority promoted schemes.
- 1.4 The DfT's letter identifies a number of issues on which the region's views are sought as part of the RFA submission currently under preparation. It invites comments on the content of the letter. It also invites the region for views from the region on what additional actions DfT could take to assist in keeping up momentum of delivery.
- 1.5 Annex 2 sets out the current regional programme based on the most recent DfT quarterly monitoring returns.

2. Overview of Progress to Date

- 2.1 The first three years of the regional programme have been affected by an increase in scheme costs and by slippage in the delivery of projects; the latter is particularly concerning given that one of the consequences of slippage is to add in additional costs due to inflation.
- 2.2 Following the outcome of the Nichols review of Highways Agency schemes we have seen substantial increases in the cost estimates of Agency promoted schemes. This reflects the introduction of more rigorous processes within the HA to arrive at scheme estimates. An outstanding question remains as to whether the same rigour has been applied to the schemes promoted by Local Transport Authorities.
- 2.3 Our approach to programme management and monitoring continues to evolve in response to the need to have a clear understanding of progress with prioritised schemes. Recently we have begun monitoring the progress of schemes through their developmental stages in order to ensure that they will hit their delivery dates.

3. Detailed Commentary

3.1 To date 15 of the Board's investment priorities have been delivered or are in the course of being delivered;

- A228 Main Road to Ropers Lane, Kent
- A249 Iwade to Queenborough, Kent
- Fastrack (Phase 1), Kent
- Copnor Bridge replacement, Portsmouth
- A228 Leybourne to West Malling Corridor improvement, Kent
- A4146 Stoke Hammond and Linslade Western Bypass, Buckinghamshire
- East Kent Access Phase, Kent
- A3 Integrated Bus Priority Corridor, Hampshire
- A2/A282 Dartford Improvement, Kent
- A2 Bean – Cobham widening (Phase 2), Kent
- M27 J11 to J12 Climbing lanes, Hampshire
- M27 J3 to J4 Widening, Hampshire
- A27 Southerham to Beddingham, East Sussex
- A3 Hindhead Improvement, Surrey/Hampshire
- M4 Junction 11, Reading

3.2 Local Transport Authority schemes

3.2.1 In reviewing the remainder of the current programme to 2013/14 there is a need for the Board to consider the points raised by the DfT in their letter. The proposed response to these points is set out in Annex 3.

3.2.2 It is proposed that the RFA submission confirm the Board's support to include the following major maintenance schemes into the regional programme;

- A4 Shepherds House East Railway Bridge
- Northern Road Bridge
- Medway Tunnel
- A40 Abbey Way
- A332 Windsor and Eton Relief Road

3.2.3 Where the Board has previously indicated it is minded to support accelerating a scheme, letters have been received from ALL the scheme promoters committing their authorities to make available the funds required to achieve this.

3.3 Highway Agency schemes

3.3.1 Improvements to the Highways Agency network of regional roads are funded through the RFA. The Board has previously set out its position in respect of the schemes programmed for the A21 corridor (Tonbridge to Pembury; Kippings Cross to Lamberhurst) and A23 corridor (Handcross to

Warninglid). It is proposed that the RFA submission confirms the Board's stated position in respect of these three schemes.

- 3.3.2 The Board has also reaffirmed its support in principle for the A21 Baldslow Junction. A verbal update on this scheme will be made to the meeting.
- 3.3.3 There are two further HA promoted schemes within the regional programme that the Board needs to consider as part of its input into the RFA submission.
- 3.3.4 The A27 Chichester Improvement scheme was originally prioritised by the Board at an estimated cost of £137m. It is now understood that the cost of the scheme in its current form is in excess of £200m. It is clear that the scale of this increase in the scheme cost would have a substantial impact on the rest of the programme.
- 3.3.5 While the need for investment to address the underlying challenges facing the A27 in and around Chichester remains there is a need to consider those needs in the wider context of delivering substantial growth elsewhere along the West Sussex coast. The designation of Shoreham Harbour as a Growth Point, and its associated target of 10,000 houses, is particularly pertinent.
- 3.3.6 A further consideration is the extent to which the impact that the slow down in the housing market may have on the timing of any improvement required to the A27 in and around Chichester. This is likely to be an issue that is considered in greater detail as part of the work on the Core Strategy for the Chichester Local Development Framework.
- 3.3.7 It is clear from the above that while the need for investment in the transport infrastructure at key points along the West Sussex remains a high priority, the nature and timing of that investment may need to be revised to reflect the changed circumstances locally.
- 3.3.8 The implications for the regional programme need to be considered more fully in partnership with the Highways Agency, West Sussex and relevant Local Planning Authorities.
- 3.3.9 It is therefore proposed that the RFA submission reaffirms the commitment of the Board to invest in transport infrastructure in West Sussex and that for the present the sums identified for that purpose are retained within the regional programme. However the RFA submission needs to note that there is on-going work with the relevant authorities to determine the nature of the transport challenges facing this part of the region with a view to identifying the most appropriate solutions for funding from the RFA.
- 3.3.10 The second HA scheme that the Board need to consider at this point is the A27 Wilmington Improvement.
- 3.3.11 This scheme was originally prioritised on the basis of the need to address specific safety concerns in the local area. Subsequently the HA has

implemented a number of minor improvements to the road network. The impact of these minor improvements needs to be assessed in order to determine whether there remains a need for a more substantial scheme.

- 3.3.12 It is therefore proposed that the RFA submission requests that the HA undertake the necessary work to review the need for further improvements to the A27 at Wilmington.

4. The Revised Programme

- 4.1 The DfT requires the regional programme to be affordable within the RFA period. While the Department does not expect us to rigidly programme on the basis of annual allocations, it does expect regions to ensure that 'spikes' and 'slumps' in spend profiles are kept to a minimum.
- 4.2 RFA expenditure is managed nationally. The current national picture suggests an under-spend in the early years of the programme. In consequence a slight over-expenditure in the South East assists to balance the RFA nationally.

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Regional Planner

16 January 2009

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REGIONAL FUNDING ALLOCATIONS **2007/08 PROGRESS REPORT - SOUTH EAST**

I am writing with a summary of progress during the last year in delivering the 2006/07 to 2015/16 Regional Funding Allocation (RFA) programme for the South East.

The RFA process offers significant advantages over the previous arrangements for major schemes. The process of identifying priorities enables closer alignment with related economic, social and environmental priorities and, once schemes are prioritised, promoters have greater confidence to invest in scheme development.

2007/08 was nevertheless a challenging year for delivery with substantial underspends against budget at both national and regional level. We are committed to working with the Regions and individual local authorities during 2008/09 to accelerate the pace of delivery.

National Summary

Overall, across the English regions, recent months have seen a big step forward in delivering the RFA programme. As of October 2008 we now have

over £2.5bn spent or committed¹ since 2006/07 and a further £2.9bn worth of schemes at earlier stages of approval².

The overall outturn on spending for 2007/08 has, however, been disappointing. Across the RFA, taking Highways Agency and Local Authority schemes together, there was, despite a healthy level of overprogramming (10%) at the start of the year, an underspend of 10% (£74 million) against the national RFA budget of £738 million.

Turning now specifically to Local Authority schemes, those that were already in construction at the start of the year spent around 20% (or £57 million) less than the start of year forecast. In addition, many schemes which were expected to gain Full Approval and begin construction during the financial year did not do so, primarily due to delays in local authorities supplying the necessary business case information.

Regional Summary - Overall Spending

For Local Authority schemes under construction, your region's outturn against forecast for 2007/08, unlike the national trend, showed an *increase* of 33.1% against forecast. However this was due largely to the cost increase granted to the Stoke Hammond scheme and there was a pronounced shortfall against forecast for schemes that were still seeking Full Approval at the start of the year.

2007/08 Outturn against forecast

	Forecast spend at start of 07/08 (£m)	Full year outturn (£m)	% Change
Highways Agency schemes	179.5	195.6	+9.0%
Local Authority schemes	29.7	15.7	-47.1%
- with Full Approval at start of year	11.4	15.1	+33.1%
- without Full Approval at start of year	18.3	0.6	-96.9%
Total spend	209.1	211.3	-1.0%
Regional Funding Allocation	141.0	141.0	
Over/(Under)spend	+68.1	+70.3	

During the year, three schemes have been completed and two local authority schemes were granted Full Approval. No schemes were granted Conditional Approval or Programme Entry.

¹ Local Authority schemes at Conditional Approval and beyond and Highways Agency schemes in Construction

² Local Authority schemes with Programme Entry and Highways Agency schemes at the Development stage

Budget Forecasting

Our budget forecasting is dependent on accurate and robust information being supplied from Local Authorities on the timing and cost profiles of their schemes. We appreciate that there are a number of factors at play here: for example, last year was abnormally wet in some areas, with poor ground conditions in the summer delaying construction on a number of schemes as a result; it can be difficult to get different agencies to work together; and Departmental processes can take longer than anticipated. However, experience over a number of years suggests a longstanding problem of local authorities being over-optimistic about their delivery timetables.

Levels of underspend on this scale, are unwelcome - they reflect delays in delivering much needed transport improvements in a context where all regions are seeking more investment. And they are unsustainable in the long-term. The Government has committed to ensure that each region receives its allotted share of the Regional Funding Allocations pot over time, allowing for peaks and troughs. However, this commitment is unlikely to be deliverable where an individual regions builds up very substantial, and unforecast, underspends over the early years.

Part of my purpose in writing is that DfT, regional partners and scheme promoters all have a shared interest, and responsibility, for making a success of the RFA, addressing any underlying problems and securing effective delivery of the agreed scheme programme to the expected timescales. If we are to do that, we all need to be open and transparent about where problems are occurring, and why, as early as possible. In particular, I believe we need to:

- ensure deliverability is factored into the priorities and programme agreed as part of RFA2
- reinforce the effectiveness of local authorities project management capacity, particularly where problems have been encountered in the past and/or local authorities are seeking to deliver two or more schemes.
- all adopt more of a delivery focus to major schemes.

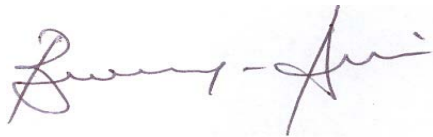
Within DfT, we are revisiting our own systems for tracking and managing progress, seeking to reduce the complexity of our appraisal rules and do more to help solve problems, not just challenge others to do so.

We are sharing with regions our planned programme of actions and would be interested in your views on what additional actions DfT could take to assist authorities in keeping up the momentum of delivery, while maintaining the appropriate degree of rigour in the assessment of the quality of individual schemes.

The attached annex provides comments, from our perspective, on the progress of individual schemes. This is intended not as the definitive word on

the matter but as part of an ongoing dialogue. We would be very interested in your response to what we have said, particularly, where you have anything additional, or different to offer - or where you identify actions that regional partners might themselves take. We are keen to encourage the fullest possible co-operation between DfT and regional partners in monitoring and ensuring the successful delivery of the RFA programme. **Julian Abel (telephone 020 7944 6735 the lead DfT official for Local Authority major schemes in this region will be happy to take on any further discussion resulting from this letter (Contact details, 020 7944 6735, julian.abel@dft.gsi.gov.uk).**

I am copying this letter to all the Local Transport Authorities in the South East and to the Government Office.

A handwritten signature in purple ink, appearing to read 'Bronwyn Hill', is positioned above the typed name.

**Bronwyn Hill
Director General
City and Regional Networks**

Annex: Regional Summary - Scheme Detail

Three schemes in the region were successfully delivered and opened to the public during 2007/08 - A4146 Stoke Hammond and Linslade Western Bypass (Buckinghamshire), East Kent Access Phase 1 (Kent) and the Highways Agency's A2/A282 Dartford Improvement scheme.

Hampshire's Integrated A3 Bus Priority Corridor Scheme was scheduled to have been substantially complete in March 2008 but has been delayed until later in 2008.

Spend on Local Authority schemes was greater than forecast due to the additional funding granted to the A4146 Stoke Hammond and Linslade Western Bypass scheme.

Construction continued on the Highways Agency's A3 Hindhead Improvement, A2 Bean-Cobham widening and the A27 Southerham to Beddingham improvement (subsequently completed on 22 August 2008). In addition, construction work started on the Highways Agency's two M27 schemes - the J11 to J12 Climbing Lanes and the J3 to J4 widening schemes – in January and February respectively. The former was opened to traffic on 1 September 2008.

There were no other Local Authority schemes in construction at the start of the year. Two schemes were granted Full Approval during the year - Ryde Interchange and M4 Junction 11 and Mere oak Junction – but construction has commenced on only the second of these. No schemes were granted either Conditional Approval or Programme Entry during the year.

Of the schemes in the South East with Programme Entry, all have reported significant delays to progress, as compared with their forecast delivery timescales at the start of 2007/08.

Dealing here with the two largest schemes, there has been a very significant increase in the cost of the Bexhill to Hastings Link Road which will require a reassessment of the value for money at the higher cost to be undertaken. Delays on completing statutory procedures and agreeing requirements for assessment have put back the submission of a Conditional Approval bid for East Kent Access Phase 2 scheme. Details of the other schemes are provided in the Annex to this letter.

We now expect to receive Conditional/Full Approval bids for the East Kent Access Phase 2 scheme later in 2008/09.

We will expect the region to establish realistic delivery timescales for these Programme Entry schemes as part of the RFA 2 exercise.

Many of the remaining schemes without approval are being reconsidered as part of the RFA2 refresh exercise currently underway.

Outturn against forecast for individual schemes

Scheme Name	Authority	Forecast spend at start of 2007/08 (£)	Actual Spend (£)	Difference (£)	Difference (%)
Local Authority Schemes					
<i>Schemes with Full Approval at start of year</i>					
A4146 Stoke Hammond and Linslade Western Bypass	Buckinghamshire	7,281,000	11,705,000	-4,424,000	-60.8%
A3 Integrated Bus Priority Corridor	Hampshire	2,932,000	2,419,304	512,696	17.5%
East Kent Access Phase 1	Kent	1,000,000	1,000,000	0	0.0%
A228 Main Road to Ropers Lane	Medway	150,000	0	150,000	100.0%
	<i>Sub-total</i>	11,363,000	15,124,304	-3,761,304	-33.1%
<i>Schemes that did not have Full Approval at start of year</i>					
M4 Junction 11 and Mere oak	Reading/Wokingham	11,900,000	0	11,900,000	100.0%
Ryde Public Transport Interchange (including prep costs)	Isle of Wight	3,393,879	561,238	2,832,641	83.5%
Central Milton Keynes Public Transport Access Improvements	Milton Keynes	3,000,000	0	3,000,000	100.0%
	<i>Sub-total</i>	18,293,879	561,238	17,732,641	96.9%
	Total for Local Authority Schemes	29,656,879	15,685,542	13,971,337	47.1%
Highways Agency Schemes					
A21 Kippings Cross to Lamberhurst Improvement	Highways Agency	1,765,001	3,060,862	-1,295,861	-73.4%
A2/A282 Dartford Improvements	Highways Agency	64,591,750	60,391,501	4,200,249	6.5%
A21 Tonbridge Bypass to Pembury Dualling	Highways Agency	1,271,000		1,271,000	100.0%
A23 Handcross to Warringlid widening	Highways Agency	2,841,222	3,847,570	-1,006,349	-35.4%
A27 Southerham-Beddingham Improvement	Highways Agency	16,286,079	16,035,569	250,510	1.5%
M27 J11 to J12 Climbing Lanes	Highways Agency	6,175,855	5,277,761	898,094	14.5%
M27 J3 to J4 Widening	Highways Agency	10,645,677	4,185,864	6,459,813	60.7%
A2 Bean-Cobham Widening phase 2	Highways Agency	42,660,250	51,803,458	-9,143,209	-21.4%
A3 Hindhead Improvement	Highways Agency	33,230,178	50,974,761	-17,744,584	-53.4%
	Total for Highways Agency Schemes	179,467,012	195,577,348	-16,110,336	-9.0%
Grand Total		209,123,891	211,262,889	-2,138,998	-1.0%
Regional Funding Allocation		141,000,000	141,000,000		
Over/(under)spend		68,123,891	70,262,889		
		32.6%	33.3%		

Looking Ahead

At the beginning of 2008/09 our forecast spend on Local Authority and Highways Agency schemes was around £224 million.

Scheme	Authority	2008-09 Forecast Spend
SOUTH EAST		
LA schemes with FA at start of year		
Integrated A3 Bus Priority Corridor	Hampshire	778,063
Ryde Interchange	Isle of Wight	4,070,000
M4 Junction 11 and Mere oak Junction	Reading	37,836,000
LA schemes pre-FA at start of year		
East Kent Access - Phase 2	Kent	7,829,000
Central Milton Keynes Public Transport Access Improvements	Milton Keynes	3,446,000
Reading Station	Reading	2,000,000
Highways Agency schemes		
A3 Hindhead Improvement		90,023,798
A2 Bean-Cobham Widening Phase 2		30,509,375
M27 J3 to J4 Widening		29,862,417
M27 J11 to J12 Climbing Lanes		11,168,398
A27 Southerham-Beddingham Improvement		3,903,922
A21 Kippings Cross to Lamberhurst Improvement		240,000
A21 Baldslow		116,931
A2 Bean Junction, Dartford		250,000
A21 Tonbridge Bypass to Pembury Dualling		239,965
A23 Handcross to Warninglid widening		1,839,893
GRAND TOTAL		224,113,762

Please note that these are the start of year forecasts and some may have already changed. Annex B provides a commentary of the latest known position on individual schemes.

In particular, due to delays in securing powers and the need to retender, it is now unlikely there will be significant spend on the Ryde Interchange scheme in 2008/09.

It will be important for overall regional levels of spend that there are no delays on the Reading scheme which makes up a large proportion of the expected spend and we will play our part to facilitate progress.

In addition we are expecting East Kent Access Phase 2 and potentially the Reading Station schemes to gain Full Approval during 2008/09 which may mean some additional expenditure will take place during the Financial Year.

In addition, construction continues on the Highways Agency schemes mentioned above with the M27 J3 to J4 widening scheme and the A2 Bean-Cobham scheme being completed during 2008/09.

We are grateful for the region's advice on the A21 and A23 schemes, allowing them to go forward and we hope to make good progress on these with some preparatory costs falling to the RFA in 2008/09.

ANNEX B

Local Authority Scheme by Scheme Commentary

Please note that the information contained below is derived primarily from Local Authority Quarterly Monitoring Reports up to the end of Quarter 1 (ending June 2008)

Previously completed schemes with residual spend in 07/08

A228 Main Road to Ropers Lane (Medway)

This scheme was completed in July 2005. Ministers agreed in 2005 to provide an additional £0.300m to the promoters for Part 1 Claims although this has not yet been claimed and may therefore slip into 2008/09.

Schemes completed in 2007/08

A4146 Stoke Hammond and Linslade Western Bypass, (Buckinghamshire)

This scheme was completed in September 2007. In August 2007, the promoters informed the Department that the total estimated cost of the scheme had increased due to a combination of issues including poor weather conditions and protester action at the start of construction. Ministers agreed in July 2008 to increase the Department's contribution towards the scheme costs by a further £4.424m taking DfT's contribution to £45m. This increase was added to the 2007/08 allocation taking our total funding contribution in that year to £11.705m. No further funding will be provided.

East Kent Access Phase 1 (Kent)

The scheme was completed in September 2007 and the £1m forecast to be spent in 2007/08 was claimed in full by the promoter, bringing the final DfT contribution to £18m.

Schemes in construction

Integrated A3 Bus Priority Corridor Major Public Transportation Scheme (Hampshire)

As of March 2007, the scheme was scheduled for substantial completion by March 2008. However this was delayed until September 2008 and costs have increased from £25.1m to £34.6m. The promoters have advised us that this was due to higher than anticipated inflation, design alterations and improved quantity measurement, ground conditions and statutory utilities not being as expected, and delays in project delivery. We provided £2.419m in 2007/08 and we are anticipating an additional £0.8m spend in 2008/09. Hampshire CC has requested additional funding from DfT and we are currently considering this request.

Schemes fully approved during 07/08

Ryde Interchange (Isle of Wight)

Full Approval was granted in September 2007. Initial works started on 1 April 08 but were suspended pending negotiations with Network Rail on issues relating to land leased from them. These have now been completed but the time taken has led the Isle of Wight to re-tender the construction contract. Subject to satisfactory completion of this we expect works to resume in early 2009.

M4 Junction 11 and Mere oak Junction Improvement Scheme (Reading and Wokingham)

Full Approval was granted in March 2008, slightly later than previously anticipated, and at a reduced DfT contribution of £62.052m. Construction appears to be proceeding to time and the scheme is on course to spend the forecast amount in 2008/09.

Schemes with Programme Entry

Bexhill to Hastings Link Road (East Sussex)

The total scheme costs have increased significantly since Programme Entry was granted in 2004 - latest outturn figure is now estimated to be approximately £96m. We are unsure at this stage as to the reasons why the costs have increased although we are aware that the intended scheme programme is slipping in part due to East Sussex CC having to provide further information to the Statutory Environmental Bodies. DfT is currently liaising with the promoter and hope to receive a revised Major Scheme Business Case later in 2008 in order for us to undertake a reassessment of the value for money of the scheme at the higher cost so we can consider whether to re-confirm Programme Entry. We look forward to the region's advice on this scheme in the RFA2 exercise.

East Kent Access Phase 2 (Kent)

A Public Inquiry into the statutory Orders was held in April 2007 and the Inspector's Report is currently being considered. Kent had anticipated submitting a Conditional Approval MSBC to the Department in 2007 but the need for further modelling work has led to delays in this submission. The promoters are anticipating around £4.934m of spend in 2008/09 which looks increasingly optimistic.

Sittingbourne Relief Road (Kent)

Due to Objections having been received to the original orders published in 2007, this scheme has been delayed by about twelve months. In July 2007 the promoters proposed a slight amendment to the layout of the scheme to try and achieve a compromise solution. A Public Inquiry into the statutory Orders was completed in mid-July 2008 and the Inspector's Report is now currently being considered. The promoters have recently requested a meeting with the Department to discuss our requirements in order for them to submit a Conditional Approval MSBC to the Department. Kent is currently anticipating construction to begin in September 2009.

Central Milton Keynes Public Transport Access Improvements (Milton Keynes)

This scheme has changed significantly in scope and design since it was approved. The Department is therefore in discussion with Milton Keynes on the future of the scheme. Once the scope and cost of the promoters' preferred scheme are clear we will advise the region and look forward to their advice on whether they continue to support this scheme within RFA2.

Walton Bridge (Surrey)

Following the rejection of the original scheme orders, Surrey CC is expecting to publish new orders for a revised design in September 2008. Surrey CC are also due to provide up to date cost information to the Department, which will need regional endorsement if above the current allocation of £25.3m.

A24 Ashington to Southwater Improvement (West Sussex)

This scheme was originally granted Programme Entry in 2002. However, in the January 2006 advice to the Department the scheme was not prioritised for funding. The Region in subsequent advice to the Department confirmed the scheme as a priority but with a start of works delayed until 2015/16. The Department has recently met with West Sussex and have requested a new Major Scheme Business Case to be submitted in 2009/10 in order for the Department to undertake a re-assessment of the value for money for the scheme at the higher total cost of £35.3m with a view to Ministers re-confirming Programme Entry.

Schemes with no approval status

Brighton RTS (Brighton & Hove)

Delays in the provision of satisfactory information by Brighton and Hove have prevented progression of this project. Given the history of this scheme and its lack of progress the region may wish to review its continued support for the scheme in the second RFA round.

Thames Valley Strategic Bus & Coach Corridor (Buckinghamshire)

Changes in scheme design have delayed submission of a Programme Entry bid. This is now expected in August 2009. £20.356m of DfT funding will be sought.

Strategic Development in Portsmouth (Hampshire)

Submission of the Programme Entry bid is scheduled for August 09. RFA funding of £27m is scheduled to be provided in 2015/16 although the promoters have aspirations to start work in 2010/11. Subject to the scheme remaining in the South East RFA programme following the outcome of RFA2, we recommend that the promoter commences early engagement with the Department in early 2009.

Strategic Development in Southampton (Hampshire)

Submission of the Programme Entry bid is scheduled for January 2011. RFA funding of £20m is scheduled to be provided in 2015/16 although the promoters have aspirations to start works in 2013/14 The estimated cost of

the scheme has increased to £47m. Subject to the scheme remaining in South East RFA programme following the outcome of RFA2, we recommend that the promoter commences early engagement with the Department in mid 2010.

Ashford Smartlink and Bus Rapid Transit (Kent)

The scheme aims to provide a quality bus route over 16 km linking Ashford and surrounding new developments. RFA funding is scheduled for 2013/14 and we would therefore recommend that the promoter commences early engagement as soon as possible.

A421 Improvements – Junction 13, M1 to Milton Keynes (Milton Keynes Council/Bedfordshire)

Following a Programme Entry Business Case being submitted in 2006, we wrote to Milton Keynes in August 2006 informing them that this had been submitted too early for assessment. If the scheme remains in SE programme following the outcome of RFA2, we recommend that the promoter commences early engagement with the Department in early 2009 with a view to submitting a new MSBC.

A34/Access to Oxford (Oxfordshire)

Submission of Programme Entry is scheduled for January 2011. RFA funding is scheduled to be provided in 2013/14. We have already been in discussion with Oxfordshire about the scheme, particularly the advancement of the rail station element. Subject to scheme remaining in the South East RFA programme following the outcome of RFA2 currently underway, we look forward to further discussions with the promoter.

Reading Station (Reading)

The region has agreed to provide RFA funding of £15m towards the much larger Network Rail funded Reading Station scheme in order to contribute to the cost of the necessary highway and bridge works to enable the rail scheme to proceed. We are discussing the funding and approval arrangements with Reading Borough Council and Network Rail.

Guildford Hub (Surrey)

£29m is currently allocated to scheme in RFA programme from 2013/14. The Programme Entry business case is scheduled to be submitted in 2010. Subject to the scheme remaining in SE RFA programme following the outcome of RFA2, we recommend that the promoter commences early engagement with the Department in mid 2009.

Reigate-Redhill Hub (Surrey)

£20m is currently allocated to the scheme in the RFA programme from 2014/15. The Programme Entry business case scheduled to be submitted in 2011. Subject to the scheme remaining in the SE RFA programme following the outcome of RFA2, we recommend that the promoter commences early engagement with the Department in mid 2010.

Coastal Expressway (West Sussex)

£10m is currently allocated to the scheme in the RFA programme from 2013/14. The Programme Entry business case scheduled to be submitted in 2011. Subject to the scheme remaining in the South East RFA programme following the outcome of RFA2, we recommend that the promoter commences early engagement with the Department in late 2010.

Windsor Park & Ride (Windsor & Maidenhead)

£7m is currently allocated to the scheme in the RFA programme from 2011/12 but the scheme design has been revised and is being reconsidered as part of the RFA2 exercise. Subject to the scheme remaining in SE RFA programme following the outcome of RFA2 currently underway, we recommend that the promoter commences early engagement with the Department as soon as possible.

Regional Programme Scheme by Scheme Commentary

(including response to issues raised by DfT in their letter of 25 November)

Schemes with Programme Entry

1. Bexhill to Hastings Link Road (East Sussex)
 - 1.1. The DfT letter notes that the scheme cost has increased since the Programme Entry was granted in 2004 and seeks the region's advice on this scheme.
 - 1.2. The Board has reaffirmed its support for this scheme on numerous occasions. It has already considered the cost increase referred to in the DfT letter. It has agreed that, subject to the Local Transport Authority meeting its share of the cost increase, the scheme remains a priority within the programme.
 - 1.3. East Sussex County Council has agreed that it is 'minded to' approve the planning application; the application has been referred to the Government Office.
2. East Kent Access Phase 2 (Kent)
 - 2.1. The DfT letter notes that submission of a conditional approval Major Scheme Business Case was originally scheduled for 2007 but that the need for further modelling work has led to delays in the submission.
 - 2.2. While the scheme remains a regional priority there is a need to clarify with Kent County Council the current state of play with regards the submission of the business case.
3. Sittingbourne Relief Road (Kent)
 - 3.1. The Public Inquiry into the scheme was completed in mid-July 2008. Construction is anticipated to start on site in September 2009.
4. Central Milton Keynes Public Transport Access Improvements (Milton Keynes)
 - 4.1. DfT is concerned that the scope and design of the scheme has changed since originally prioritised by the Board. The Board is therefore asked for its views as to whether it remains a priority.

- 4.2. Milton Keynes remains a key focus for development in the Milton Keynes South Midlands sub-region. Investment in improving the attractiveness of public transport as part of the development of the transport system to support delivery of planned growth is a key part of the overall programme for Milton Keynes. The scheme has been identified as a priority by the MKSM Transport Board and some parts of the scheme have already been implemented using funds from other sources.
- 4.3. While the design of the scheme has changed, the concept of what the scheme delivers – improved bus services – remains at its heart. It was on this basis that the Board identified it as a priority for investment. It is on this basis that the scheme should remain a priority for the Board.
5. Walton Bridge (Surrey)
 - 5.1. The replacement of this ‘temporary’ structure remains a regional priority.
6. A24 Ashington to Southwater Improvement (West Sussex)
 - 6.1. This scheme was originally granted Programme Entry in 2002. The DfT has recently requested a new Major Scheme Business Case be submitted in order for the Department to undertake a re-assessment of the value for money of the scheme.
 - 6.2. At its last meeting the Board identified this scheme as potentially being one whose delivery could be accelerated. It is proposed that the RFA submission confirm that the Board is willing to prioritise this scheme within the regional programme.

Schemes with no approval status

7. Brighton Rapid Transit System (Brighton and Hove)
 - 7.1. The DfT letter notes the lack of progress with the scheme. Given the lack of progress with the scheme the Department raises the question as to whether the region wishes to retain the scheme.
 - 7.2. The lack of progress with the scheme is extremely disappointing; all the more so given that the Board was supported a proposition to accelerate the delivery of the scheme in the past. At its last meeting the Board asked the secretariat to report back on the current situation with regards the scheme.
 - 7.3. It is clear that several factors have changed since the scheme was prioritised, not least of which more recently the impact of the downturn in the economy means that the business case for the scheme needs to be reviewed.
 - 7.4. However, the need to build upon the already impressive achievements with public transport in Brighton remains, all the more so given that Brighton is at the heart of one of the Diamonds for Economic Investment and Growth.

- 7.5. Since the designation of Shoreham Harbour as a Growth Point the importance of looking beyond the boundaries of Brighton – to Shoreham in the west, and potentially to Newhaven in the east – means that there remains a need to identify investment from the Board into public transport in the part of the region.
- 7.6. It is proposed that the Board should look to Brighton and Hove Council to work closely with its adjoining authorities to develop a proposal along these lines. It is also proposed that the Board should look to this work as a means of taking forward detailed development of the proposed Coastal Expressway in West Sussex.
8. Thames Valley Strategic Bus and Coach Network (Buckinghamshire/Berkshire Unitaries)
 - 8.1. The DfT letter notes a delay in the submission of a Programme Entry bid for this scheme.
 - 8.2. Progress has been made in developing a detailed proposal for the first element of the network. The pilot route will see High Wycombe linked with Slough. The scheme will involve investment in constructing the High Wycombe Coachway together with investment in improvements within Slough.
 - 8.3. At its last meeting the Board identified this scheme as potentially being one whose delivery could be accelerated, in part to ensure that the infrastructure is in place in time for the 2012 Games. It is proposed that the RFA submission confirm that the Board is willing to prioritise this scheme within the regional programme.
9. Strategic Development in Portsmouth (Portsmouth)
 - 9.1. The DfT letter notes the aspiration for delivery of this scheme to be accelerated.
 - 9.2. This scheme in fact comprises two elements; investment in the provision of Tipner Interchange and the provision of Trafalgar Link Road, both of which will help support delivery of growth in a key sub-region; one that is both a Growth Point and a Diamond for Economic Investment and Growth .
 - 9.3. At its last meeting the Board identified these two proposals as ones that it wished to accelerated. It is proposed that the RFA submission confirm the Board's position.
10. Strategic Development in Southampton (Southampton)
 - 10.1. The DfT letter notes that the promoters have aspirations for the elements within this package to start earlier than currently programmed.

- 10.2. It is proposed that the RFA submission confirms the Board's support in principle for the package which will see investment in another part of the South Hampshire sub-region. However it should be noted that there is a need for further discussion with the promoters to develop the detail of the package.
11. Ashford Smartlink and Bus Rapid Transit (Kent)
- 11.1. At its last meeting the Board identified this scheme as one that potentially could be accelerated to assist in facilitating growth in the Ashford Growth Areas. It is proposed that the RFA submission should confirm the Board's position.
12. A421 Improvements – M1 Junction 13 to Milton Keynes (Milton Keynes/Bedfordshire)
- 12.1. This is a cross boundary scheme that was identified as being a priority for investment in both the South East England and the East of England RFA submissions in 2006.
- 12.2. At its last meeting the Board identified this scheme as one that potentially could be accelerated to assist in facilitating growth in the Milton Keynes South Midlands Growth Area. If taken forward the scheme would follow from investment already being made in the A421 corridor to the east of its junction with the M1.
- 12.3. It is understood that the section of the scheme within Bedfordshire is unlikely to be identified as an investment priority within the East of England RFA submission now being prepared.
- 12.4. In terms of resolving this issue the first principle that needs to be established is whether or not the need for an improvement along this corridor remains a priority for the sub-region. In this respect the MKSM Transport Board are ideally placed to offer advice to this Board. It may be that the objectives of the original scheme can be achieved with a different solution; one that enables the timing of that investment to be made as currently programmed.
- 12.5. It is proposed that at this stage the RFA submission identify the fact that there is a need to review this scheme but retain the allocation within the regional programme.
13. A34 Access to Oxford (Oxfordshire)
- 13.1. The DfT letter notes that discussions have been taking place with a view to advancing the rail station element of this package.
- 13.2. Given that Oxford is both a Growth Point and a Diamond for Economic Investment and Growth it is proposed that the RFA submission confirm the Board's commitment to the scheme.

14. Reading Station (Reading)
 - 14.1. The DfT letter notes the contribution from the region towards the cost of the highway and bridge works associated with the major investment in additional capacity at the station.
15. Guildford Hub Transport Improvement Scheme (Surrey)
 - 15.1. It is proposed that the RFA submission confirms the Board's commitment to the scheme. However it should be noted that there is a need for further discussion with the promoters to develop the detail of the package.
16. Reigate-Redhill Transport Improvement Scheme (Surrey)
 - 16.1. It is proposed that the RFA submission confirms the Board's commitment to the scheme. However it should be noted that there is a need for further discussion with the promoters to develop the detail of the package.
17. Coastal Expressway (West Sussex)
 - 17.1. It is proposed that the RFA submission confirms the Board support for investment in public transport in the coastal area of West Sussex. The designation of Shoreham Harbour as a Growth Point serves to emphasise the importance of taking forward the development of this scheme as part of a wider scheme that builds upon the proposals for a Rapid Transit System in Brighton and Hove.
18. Windsor Parking Strategy (Windsor and Maidenhead)
 - 18.1. The DfT letter notes that the scheme has been revised and that it is being considered as part of the RFA exercise.
 - 18.2. The alternative scheme developed by Windsor and Maidenhead in lieu of its original proposal for a Park and Ride comprises a series of smaller scale measures; the benefits of which are broadly similar to the original package put forward with comparable costs. Delivering these benefits in advance of the 2012 Games remains a regional priority.
 - 18.3. Discussions with the Authority have served to emphasise that the nature of the proposals now being put forward would more appropriately be delivered through the Local Transport Plan. It is therefore proposed that the RFA submission put forward as a pilot the transfer of the funding earmarked for this scheme to the Local Transport Authority.