

**Brief assessment of project appraisals**

**Economic Development**

Eastleigh River Side – Technology and Innovation Centre and associated Costs

*Project Description*

The primary purpose of the project is to develop further the concept for development of part of the north of the River Side site, undertake design work and purchasing suitable elements of site (or enter a joint venture with the landowner). Previously identified by PUSH Joint Committee as a key priority site, the project forms part of a wider initiative to improve access to an existing poor quality industrial estate and to deliver environmental improvements. Focus is on business support intended to include scientific and technical support from a university/(ies) and skills training from an FE College.

A study to scope the outputs in more detail has already been commissioned. The intended outcomes will include: a master plan for Barton Park; the creation of employment opportunities; environmental improvements associated with land purchases; improved traffic access to Chickenhall Lane and collaborative working with the Universities, landowners and SEEDA.

*Funding requested: £700K in total including* costs for the River Side Project Manager (expenditure for which is committed) – the project is scaleable if less funding is available.

*Project assessment criteria:*

<b>Previously identified priority</b>	<b>Link to PUSH Objectives</b>	<b>Deliverability</b>	<b>Cost / Benefit Analysis</b>	<b>Risk</b>
High	High Supports PUSH innovation and skills objectives and creating employment opportunities	Medium	Medium/High	Medium (uncertainties arising from change of approach)

*Recommendation: That £600k funding is allocated* reflecting the priority attached to this site balanced against the risks involved.

Daedalus Strategic Development Site

*Project Description*

This site in Fareham and Gosport is recognised as a strategically important site by both SEEDA and PUSH in economic development terms. The former MoD airfield lends its self well to potential cluster development around marine and aviation activities, though not exclusively so.

A visionary framework has been developed and a master plan / strategic planning document is being prepared to fit in with Gosport and Fareham Core Strategies. There are a number of existing businesses on site already that have encouraged a sizeable number of enquiries from businesses and developers interested in locating to the site.

*Funding requested: Total of £3.1m* - Scoping study (100K); Construction work and fees (£3m)

*Project assessment criteria:*

Previously identified priority	Link to PUSH Objectives	Deliverability	Cost / Benefit Analysis	Risk
Low	High	High – for feasibility study, uncertain for implementation phase	Medium	Medium

*Recommendation:* Given the constraints on available funding and the absence of any provisional allocation for this project it is **not recommended that it be funded at this time.**

### Broadmarsh Enabling Infrastructure Works

#### *Project Description*

The project involves the release of a strategic employment site which opens up the potential for 800 jobs to be generated on SEEDA owned land and a further 800 jobs elsewhere in Broadmarsh. It will provide an opportunity for growing companies and inward investors to locate in the Portsmouth and Havant area. Similar opportunities for companies are very limited. The overall design of the layout will facilitate bringing additional surplus land in to the mix to potentially add to the developable land that SEEDA presently have.

A significant outcome of this project is the release of SEEDA, HCC and private sector owned land for development of additional high quality employment space, which, would benefit PUSH with regards the Single Conversation agenda.

*Funding requested: £2m* some or all of which PUSH could be recouped through land disposals through a mechanism yet to be determined.

*Project assessment criteria:*

Previously identified priority	Link to PUSH Objectives	Deliverability	Cost / Benefit Analysis	Risk
Low	Medium to high	medium	Medium to high	High

*Recommendation:* **That this project is not funded at this time** but that this site is built into the strategic sites assessment work that is currently being conducted by DTZ and that the external funding panel be asked to look for innovative ways of forward funding the project other than through use of the capital grant requested.

### **Sustainability and Community Infrastructure**

#### Spice Island

#### *Project Description*

Located in the southwest quadrant of Portsmouth City, Spice Island experiences seawater infiltration at a high tide which adds to the load on the existing drainage system in the city thus operating above capacity during storms of short duration and high intensity. This was demonstrated in part by the extensive flooding that occurred in the city in September 2000 and has been repeated to a lesser degree with additional frequent near misses. The solution proposed is to provide capacity for up

to 700 additional dwellings in the area served by the Southern Low sewer. This bid aims to take the project to its delivery phase as a capital scheme in 2010/11 once the PUSH funded feasibility has been completed in 2009/10.

*Funding requested: £1,503,000*

*Project assessment criteria:*

Previously identified priority	Link to PUSH Objectives	Deliverability	Cost / Benefit Analysis	Risk
High	High	Doubtful due to substantial fluctuations in estimated costs.	Medium	High

*Recommendation:* Given the uncertainty in delivery, volatile nature of the cost estimates and limited funding secured from Southern Water (a key beneficiary) this project is **not recommended for funding at this stage.**

### Forest Park Test Valley

#### *Project Description*

The Green Infrastructure Strategy identifies woodlands around northern Southampton as having the potential to provide a significant recreation resource. The proposed study would build on the initial feasibility work funded by Test Valley Borough and develop in more detail the sustainability of its public access, the scale of investment required and the longer term revenue costs. Furthermore, the study would also provide the forum for developing joint working by key partners including the Forestry Commission and Natural England. Anticipated outcomes of the Study include:

- a framework for future joint working
- basis for future public consultation
- basis for negotiation with landowners of the woodlands
- inform discussions on the potential for sub-regional developer contributions
- an agreed approach to the implementation of the Forest Park proposal.

*Funding requested: £50K*

*Project assessment criteria:*

Previously identified priority	Link to PUSH Objectives	Deliverability	Cost / Benefit Analysis	Risk
High	High	High	High	Low

**Recommendation:** That the requested **£50k funding for this project be approved.**

### **Housing and Planning**

#### Southampton Estates Renewal

#### *Project Description*

This estate regeneration programme is an initiative to renew and regenerate nine priority neighbourhoods across Southampton using Hinkler regeneration as a pilot project. This programme will be an important tool for Southampton to maintain housing delivery and provide construction jobs and training opportunities during the downturn. This project will also benefit PUSH by testing new approaches for housing delivery. Key deliverables include the establishment of a Local Housing Company, £130m of investment into the PUSH sub region; 800 – 1000 new homes provided

and four local centres upgraded. Anticipated outcomes are that of improved social and economic outcomes within areas transformed by estate regeneration as a catalyst for levering in further investment and renewal over the medium and long-term.

*Funding requested: £1.24m* reflecting reduction due to funding being brought forward into 2009/10.

*Project assessment criteria:*

<b>Previously identified priority</b>	<b>Link to PUSH Objectives</b>	<b>Deliverability</b>	<b>Cost / Benefit Analysis</b>	<b>Risk</b>
High	High	High Project is on track and achieved milestones earlier than expected.	High	Low to Medium

*Recommendation:* That the requested **£1.24m funding be approved.**

#### Somerstown Estate Renewal Project

*Project Description*

This project has attracted significant support from PUSH in the last two years for a deprived area of Portsmouth with 26% of its population in low income households and 6.2% unemployed. The aim of the regeneration is to provide new family homes as 80% of occupants live in flats, revise the local infrastructure and provide more accessible green space. Key outputs include: houses and community infrastructure to support phase 2 PFI which then goes to deliver 733 new homes.

*Funding requested: £1.839,000* which is a further reprofiling of the spend on this project arising from a further timetable slippage albeit with a slight reduction the overall ask to PUSH.

*Project assessment criteria:*

<b>Previously identified priority</b>	<b>Link to PUSH Objectives</b>	<b>Deliverability</b>	<b>Cost / Benefit Analysis</b>	<b>Risk</b>
High	High	Medium due to continued slippage.	High.	High/Mediu.

*Recommendation:* That the requested **£1.839m funding be approved**, subject to achievement of the key milestone of the purchase of the Wellington Street Car Park by the end of March 2010. Should that milestone not be achieved then it is recommended that the Joint Committee reconsider this allocation.

#### Gosport Waterfront and Town Centre

*Project Description*

The regeneration and redevelopment of the waterfront will meet a number of PUSH's objectives. The development will represent a high profile, urban Brownfield, mixed use regeneration site which has the potential to provide new employment, retail, leisure and residential opportunities. Other potential use of the site also includes marine related employment, offices, transport interchange and residential. The site has been identified as a strategic marine site in SEEDA's Solent Waterfront Strategy.

This is the second part of the project supported in 2009/10 for which funding is already committed

*Funding requested: £37K*

*Project assessment criteria:*

Previously identified priority	Link to PUSH Objectives	Deliverability	Cost / Benefit Analysis	Risk
High	High	High	High	Low

*Recommendation:* That the requested (and contractually committed) **£37k funding for this project be approved.**

## Quality Places

### Portsmouth Creative Industries

#### *Project Description*

This bid seeks to build on the £700k support PUSH has provided to this project in 2009/10. It will deliver state of the art facilities for training and enterprise across a wide range of creative industries. Project aims to provide physical facilities which enable amongst other things:

- Skills Development across creative industries at levels 2 and above
- New foundation degree programmes for creative practitioners
- Much improved DDA access to existing Theatre
- Significant increase in community engagement in the arts

Key outputs include: 10 incubation companies; 85 gallery exhibitions by 2013; 100% increase in CIBAS referrals from across Hampshire. In addition, the project has a wide range of outcomes ranging from skills community and personal development to the development of a vibrant creative business cluster.

*Funding requested: £1.3m*

*Project assessment criteria:*

Previously identified priority	Link to PUSH Objectives	Deliverability	Cost / Benefit Analysis	Risk
Medium	High	High	Medium	Low

*Recommendation:* Given the constraints on available funding and the absence of any provisional allocation for this project in 2010/11 it is **not recommended that it be funded at this time.**

### Southampton Cultural Quarter

#### *Project Description*

The proposed cultural Quarter comprises the proposed Southampton New Arts Complex (SNAC) the Sea City Heritage Museum and a refurbished Guildhall Square together with the existing Mayflower Theatre, the BBC, City Art Gallery, the Millais Gallery, redevelopment of the Gantry site and Mayflower Plaza. The cultural Quarter of the city is projected to attract in around £175m of public and private investment, 2000 net jobs and additional annual visitor spend of £21m. The aim of the project is to a) contribute to the first stage of the Sea City Heritage museum and b) to deliver the installation of pipe work infrastructure in advance of the site development of the SNAC to secure connection to the district heating and cooling network in Southampton.

Key outcomes include leveraging in £175m of public and private investment; approx. 2000 jobs, 326 dwellings and annual visitor spend of £21m. Also the extension of the already established local energy network.

*Funding requested:* **£1m**

*Project assessment criteria:*

<b>Previously identified priority</b>	<b>Link to PUSH Objectives</b>	<b>Deliverability</b>	<b>Cost / Benefit Analysis</b>	<b>Risk</b>
Low	High	Medium to High	Medium	Low to Medium

*Recommendation:* Given the constraints on available funding and the absence of any provisional allocation for this project in 2010/11 it is **not recommended that it be funded at this time.**

## **Transport for South Hampshire**

### M27, J5 Improvement Scheme

#### *Project Description*

This junction at Eastleigh is fundamentally important to reduce delays in proximity to Southampton International Airport (Parkway) station, improve access onto and off the motorway; and assist in the movement of traffic on a key corridor through the junction between Eastleigh and Southampton. Anticipated outcomes of the scheme are improved road safety; provide additional capacity; reduce queues on the A335 Wide Lane and Stoneham Lane and create Southern terminus of the access road to Eastleigh River Side.

The scheme is being built in three phases: Phase 1 is underway and will be completed in 2009/19 delivering road widening and put in place Section 6 Agreement with Highways Agency. HCC's preferred option is to deliver phase 2 and 3 as one phase to speed up delivery although the phases remain separable.

*Funding requested:* **A total of £4.815m - £1.915m for phase 2 and £2.9m for phase 3** (of which £2.5m may be available from the Regional Transport Board in addition to the £1m promised from the RTB for phase 2).

*Project assessment criteria:*

<b>Previously identified priority</b>	<b>Link to PUSH Objectives</b>	<b>Deliverability</b>	<b>Cost / Benefit Analysis</b>	<b>Risk</b>
High for phase 2; High to medium for phase 3	High for phase 2; Medium for phase 3.	High for phase 2; high to medium for phase 3	High for phase 2; medium for phase 3.	Low to medium

*Recommendation:* That the requested **£1.915m funding for phase 2 be confirmed** and that **£400k funding be allocated for phase 3:** both allocations to be conditional on the remaining funding being secured from the Regional Transport Board or other sources.

## Southampton Central Station – Comprehensive redevelopment proposals

### *Project Description*

The project will deliver the first part of a feasibility study and business case that will determine key outputs. The feasibility study will deliver a master plan, Transport Assessment, Station Capacity Study, Economic Analysis, Commercial Appraisal, formal input into London and South East Rail Utilisation Strategy (RUS) consultations. The business case would deliver Change Analysis, Funding Appraisal, Financial Appraisal including cost/benefit ratio of preferred option.

Anticipated outcomes of the feasibility study is to attract substantial public and private sector investment to support the longterm regeneration of Southampton Central Station and its surrounding area which, will be pivotal to the city's renaissance and transform the principal public transport gateway into the City. It will deliver new station infrastructure and facilities, a new transport interchange, over 500 new homes as well as commercial and retail space, all having wide ranging economic benefits.

Initial momentum has been established through the National Stations Improvement Programme (NSIP) which commits a £2.4m investment in the station buildings and south side public realm within 5 years.

*Funding requested:* **£100k** (Southampton City Council is unable to offer assurance to bridge the gap funding required to deliver phase 2 of the project in 2011/12)

### *Project assessment criteria:*

<b>Previously identified priority</b>	<b>Link to PUSH Objectives</b>	<b>Deliverability</b>	<b>Cost / Benefit Analysis</b>	<b>Risk</b>
Low	Medium to high	Low	Medium	High

*Recommendation:* Given the constraints on available funding and the absence of any provisional allocation for this project in 2010/11 it is **not recommended that it be funded at this time.**

## Dunsbury Hill Farm

### *Project Description*

Owned by Portsmouth City this site is situated in Havant. This project aims to deliver a major employment site that will form a new business gateway to Havant / Portsmouth from the A3M; thereby creating a high quality business and technology park.

Crucial to deliverability of this scheme is achieving and maintaining an adequate funding stream to deliver the required infrastructure access necessary to attract market interest at the earliest possible stage. It is envisaged that this will lead to economic growth and assist in the renewal of the Leigh Park area.

It is beneficial to PUSH that the site is prepared as appealing as possible to potential developers / potential investors prior to an expected surge of interest in developments in the vicinity of the A3M as a result of the opening of the Hindhead Tunnel in 2011. Anticipated outcome include agreeing a joint venture and securing better financial deal with a private developer and potential new bus link between Havant and Waterlooville.

*Funding requested:* **£400K in total** (of which £50k in 2009/10)

Project assessment criteria:

<b>Previously identified priority</b>	<b>Link to PUSH Objectives</b>	<b>Deliverability</b>	<b>Cost / Benefit Analysis</b>	<b>Risk</b>
Medium (due to TIF bid)	High.	High	Medium to High.	Medium / Low

*Recommendation:* Given the constraints on available funding and the absence of any provisional allocation for this project in 2010/11 it is **not recommended that it be funded at this time.**

**Tipner**

*Project Description*

The construction of a junction on the M275 is essential to unlocking the site and to start the comprehensive regeneration process. The junction, land remediation and associated infrastructure works opens up the possibility of a development on the current proposed site enabling employment, housing and significant transport improvements through the provision of the Park and Ride. Local roads have inadequate capacity to cope with the volume of traffic resulting from the development. Without the junction the development would not be possible in its fully comprehensive form.

Good progress has been made to date on the scheme to date. Over the last twelve months in particular, considerable work has been undertaken on the key elements of transport appraisal and modelling. Planning application for a new junction on the M275 and a Major Scheme Business Case (MSBC) for RTB funding support were submitted in December 2009. The first stage, a new junction on the motorway, is anticipated to start on site before the end of 2010. Crucial to maintaining the momentum of this scheme, particularly at this time, is achieving and maintaining an adequate funding stream.

*Funding requested:* **£3.9m in total** (£500k of which is requested for 2009/10)

*Project assessment criteria:*

<b>Priority</b>	<b>Link to PUSH Objectives</b>	<b>Deliverability</b>	<b>Cost / Benefit Analysis</b>	<b>Risk</b>
High	High	Medium	High	Medium

*Recommendation:* With the cut in Government capital funding for PUSH it is not possible to meet the full funding request for this project without severe cuts to the remainder of the PUSH capital programme for 2010/11 and severe consequence which would follow such cuts. It is therefore recommended that the balance of funding available following agreement (or otherwise) of the recommendations on other projects be awarded to this project. Should all other recommendations be agreed that would result in **£1.483m in funding being awarded to the Tipner project of which up to £500k would be made available in 2009/10.**