

Solent Growth Deal Development Funding Application Form 2017

Project Name	Solent Waterways – Options Assessment Study
Promoting / Lead Organisation	Solent Transport - Southampton City Council
Partner Organisations¹	Portsmouth City Council

1. Project

1.1 Project Description

Strategic transport connections between Southampton and Portsmouth are important but they are constrained by the capacity of the highway network, the layout of the railway and the local geography. Uniquely, the two cities and their hinterlands benefit from waterborne access which is currently under utilised. The Solent area already has a good network of ferry services connecting coastal settlements and cross-Solent services providing vital access for the Isle of Wight. This project will look how waterborne services can provide an alternative to the M27 for strategic Southampton to Portsmouth connections, and to enhance local services in Portsmouth Harbour and Southampton Water. To ensure ferry services can reduce reliance on car based trips and achieve a shift to waterborne transport the study will look at multi-modal interchange ability and opportunities. To support leisure options including tourism market growing the two city offer in the Solent, especially for Southampton cruise related visitors.

1.2 Development Work to be Undertaken

To understand and investigate how to further develop the role of waterborne transport in the Solent, an Options Assessment Study is required to look at how it can strengthen the strategic transport links serving Southampton and Portsmouth, and support productivity, connectivity, jobs and housing in the Solent region.

It will include options for:

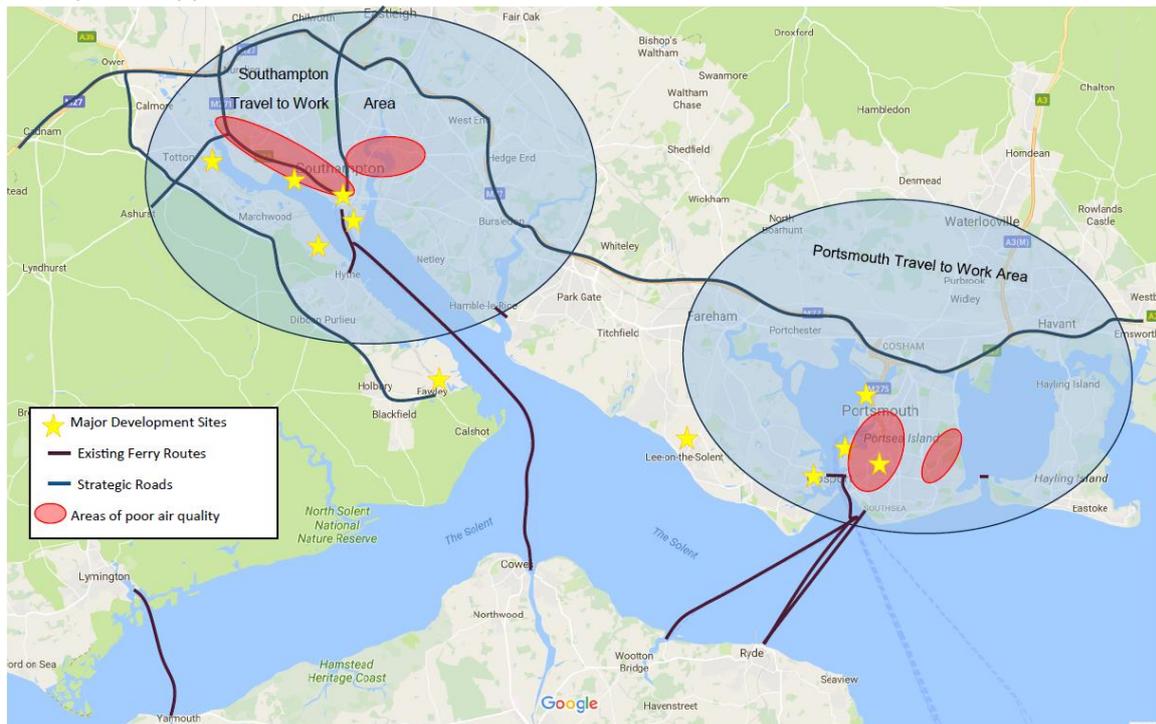
- Developing a Southampton Water fast ferry service linking the Waterside and Hamble areas with growth in Southampton city centre and interchanges as part of the Southampton Travel to Work Area,
- Developing fast ferry connections in Portsmouth Harbour linking Gosport and Fareham with Portsmouth enabling interchange with other modes as part of the Portsmouth Travel to Work Area, and
- Feasibility of a passenger ferry service between Southampton and Portsmouth,

¹ Letters confirming support and the role of each partner organisation must be provided - see Appendix 1.

- Opportunities to strengthen multi-modal transport interchanges, and
- Opportunities for modal shift to waterborne transport.

The study will undertake investigations into the economic impact and propensity for modal transfer, influence on productivity and growth, ridership, financial models, ability to interchange, required infrastructure, demand, costs, ongoing financial viability, environmental restrictions, legal issues, tidal and operational implications.

Map 1 shows the interaction of the two cities, their respective Travel to Work Areas, existing ferry services between coastal communities and to the Isle of Wight, areas of poor air quality and major development opportunities.



Map 1 – Existing Ferry connections, Travel to Work areas and development opportunities

1.3 Additionality

The LEP Development Fund contribution will enable the Options Assessment Study to look more strategically than would be done otherwise and prepare for any future Strategic Outline Business Case work. Previous work on waterborne transport has been focused on Portsmouth Harbour services with investigations looking into links from Tipner to Portsmouth Harbour and as part of a strategy for strategic access to Gosport and the Waterside areas. Waterborne transport forms part of the policy approach in the South Hampshire Joint Strategy – to develop the role of waterborne transport within the South Hampshire area – particularly passenger improvements and development of improve multi-modal transport interchanges. The LEPs Transport Investment Plan and Solent Transport Public Transport Vision highlight that fast ferry services in Southampton Water could aid development of housing and employment along the Waterside and connecting with an interchange in Southampton for wider transit links.

This additional LEP funding will enable this study to be completed in a more expedient time frame creating a credible evidence base for future investment.

Is the promoting organisation private or public

Private		Public	X
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sector?				
Is your project located in the Solent LEP area?	Yes	X	No	
Does your request for development cost funding exceed £500,000?	Yes		No	X
Is the level of local cash contribution to the development cost work at least 50% of total costs?	Yes	X	No	
Do you expect the project which you are seeking development funding for to commence delivery by the end of 2018/19?	Yes	X	No	
Is your request for funding compliant with State Aid regulations?	Yes	X	No	
Is the delivered capital project likely to have a value of between £10m and £50m?	Yes	X	No	

2. Strategic Case *(please refer to the prioritisation criteria in the guidance document)*

2.1 Problem Identification

Congestion on the M27, which carries approximately 133,000 vehicles per day, is a hindrance to economic growth and productivity in the Solent sub-region contributing to the £1bn cost to our £28bn economy a year. Additionally, the Solent region is regarded as under-productive with GVA per head 8.4% lower than the South East average (Solent LEP 2017). As the Solent economy grows, the impact of congestion and delay will become more acute with number of car trips forecast to grow by 13% up to 2026, and the total time lost to delays increasing by 50% over current conditions (Solent Transport 2012). As a result journey times, including those by bus, will increase particularly in concentrations of housing and job. If traffic conditions continue to follow this trend it could lead to longer journeys to work, constrained growth, reduced productivity and an increase in car dependency unless improvements are made to alternative modes.

A switch to non-car based modes is required to reduce dependence on the private car, particularly along the M27 corridor, to enable growth within the Solent. Ferry movements currently play a crucial role in the Solent transport network connecting coastal communities and providing a vital link to the Isle of Wight. For coastal communities such as Gosport, Hayling Island, Hamble, Warsash and Hythe ferry services provide a direct connection across water that otherwise would involve a lengthy and time consuming journey around harbours or inlets. The ability to interchange between non-car modes, such as bus, rail or cycle, and ferries will have a positive impact on transferring trips to non-car modes.

Beyond these routes, which provide a local service into areas of employment, education or leisure, there is no strategic water based solution between Southampton, Portsmouth and communities in between.

An Options Assessment Study is required to investigate options for transformative waterborne transport solutions in the Solent region. Previous work had considered improved waterborne transport at a high level but no detailed work has taken place to assess the viability of a service, its contribution to the Solent economy and productivity, impact on improved journey times and conditions on the strategic and local road network, and wider social and environmental impacts.

The Options Assessment Study would look at five elements:

- Southampton Water fast ferry service linking the Waterside and Hamble areas with growth in Southampton city centre and interchanges as part of the Southampton Travel to Work Area,
- Developing fast ferry connections in Portsmouth Harbour linking Gosport and Fareham with Portsmouth enabling interchange with other modes as part of the Portsmouth Travel to Work Area, and
- Feasibility of a strategic passenger ferry service between Southampton and Portsmouth and coastal communities and developments, (e.g. Gosport Waterside, Daedalus Solent Enterprise Zone, Fawley) and grow the tourism market and agglomeration benefit a ferry service may provide,
- Opportunities to strengthen multi-modal transport interchanges between ferry and non-private car modes – taxis, buses, rail and cycles, and
- Opportunities for modal shift to waterborne transport.

This would build upon existing policy and strategy work to produce an early Strategic Outline Business Case for continued exploration and investigation into the role of waterborne transport in the Solent transport network.

2.2 Strategic Fit

Strategic Transport Connectivity in the Solent

The Solent Transport Investment Plan (2016) states that the Solent requires an efficient and well-functioning modern transport network so it can realise its potential for long term economic and productivity growth. The successful performance of the strategic transport network, consisting of the M27, M271 and M275, A27, A32, A33, and A326, and the rail network between Southampton and Portsmouth, is crucial to the long term sustainable health of the Solent economy. Therefore, a poor performing transport network is a hindrance to productivity, growth and development achievement.

The strategic transport network connects the two gateway cities of Southampton and Portsmouth with their hinterlands, but it also connects to major growth areas around Fareham, Gosport, Waterside, Hedge End and Eastleigh. There is an acknowledgement that some transport connections have opportunity for improvement, and given the role transport plays in an area's economic success, it is vital that innovative transport infrastructure is developed and delivered to enable it to perform. Ensuring the Solent's strategic transport network does so means that the Solent economy can continue to perform, remain competitive and support the UK economy as the process of leaving the European Union progresses.

Travel patterns in the 2011 census data (Datashine and Atkins 2016) indicate that there are a number of short distance (around 5 mile) car trips from the hinterland of both Southampton and Portsmouth that have the potential to be transferred to sustainable transport including waterborne. For those living in Portsmouth and working outside and visa versa there are a significant number of car based trips made between destinations distributed around the Harbour area – Fareham, Stubbington, Gosport, Lee-on-the-Solent and Porchester. For example, 71% of those who live in Fareham & Gosport travel by car to work in Portsmouth, with 78% travelling to opposite direction. Commuter patterns for the Waterside area and Totton show that 35% of in/out commuting from that area is with Southampton and the most popular way is to travel by

car (78%). Current public transport trips from these areas are low due to distances involved, poor reliability and indirectness. These areas have the potential to migrate to public transport if the offer is made more direct and attractive.

Unreliable and variable journey times due to congestion have a negative impact not just on general traffic but also the public transport network. There are predicted to be large increases in delays on much of the strategic and local road network by 2036 – exacerbating pre-existing problems on many routes into Southampton including from the Waterside area, between Fareham and Gosport, and into Portsmouth. Improving sustainable strategic transport connections between Southampton and Portsmouth, and with their hinterlands, will assist in relieving congestion on locally and regionally important M27 corridor. Developing an alternative public transport offer at a strategic level is vital to ensure connectivity and good performance of the M27.

The rail network provides a direct centre to centre route, but while it provides a good coverage, journey times between Southampton and Portsmouth are disproportionately long compared to other similarly distanced city nodes. Businesses regard the 45 minute best journey time as too slow for a 20 mile journey partially hindered by poor frequency (only 2 direct trains per hour), number of stops on the Netley Line and rail alignment. Buses are well used in the urban areas with good connections from Southampton to surrounding settlements including the Waterside, and between Portsmouth, Fareham and Havant. However, the geography means that journey times for buses can be lengthy in comparison to the private car.

There are a number of existing ferry services operating in the Solent sub-region linking with the Isle of Wight and short local services across water. The highest patronage being those to the Isle of Wight from Portsmouth and Southampton (operated by Wightlink and Red Funnel) – with total demand for both passenger and motorised being 8.7m passengers per annum (DfT 2015). Local ferry services handed 4m, of these the Gosport-Portsmouth ferry carries by far the greatest demand at 3.6m (PCC 2011) and the Hythe-Southampton ferry carries 0.35m (HCC 2011).

Within the wider Solent Metro package in the TIP, in lieu of any feasible rail extensions, a Southampton Water Fast Ferry service is expected to support delivery of vital housing in the Waterside while mitigating against the impact on a sensitive environmental area. Better integration of modes with ferries and expanded waterborne services will have an impact on the economy of Southampton and Portsmouth as well as increase public transport usage.

This study will look at the ability and opportunities for waterborne transport to contribute towards strengthening the strategic connections between Southampton and Portsmouth, and within Southampton Water and Portsmouth Harbour, and the extent to which ferry services can provide the agglomeration benefits.

Bad Congestion and Poor Connectivity Constrains the Economy and Growth

Conditions on the M27 at peak times can be congested with certain sections operating at over-capacity, with the volume of traffic on the roads set to grow, leading to increased journey times and delays. The Solent highway network is dominated by the M27, which, while it is a strategic road can operate like a local distributor road – 30% of all traffic on the M27 travels between 1 and 2 junctions, with over 50% between 1 and 4 junctions. 38% of all internal trips on the mainland are less than 5km in length. Continued use of this valuable road space for short trips adversely affects economic performance, including access to strategic international gateways (Southampton and Portsmouth Ports and the Airport) and economic hubs. There is the opportunity to shift some

of these trips, particularly from areas that have difficult geography to public transport – specifically waterborne – that can safeguard this vital accessibility.

The Solent Transport Delivery Plan (2012) notes that across the Solent area a significant amount of vehicle journey time is spent in queues, particularly in the two peak travel periods. This has negative implications for economic growth, productivity and air quality. Over the next 30 years forecasts by Solent Transport show increasing congestion at key pinch points on the strategic road network and routes accessing the two city centres. These include capacity issues concentrated at several junctions on M27 – J4 (M3), J8 (Bursledon), J9 (Whiteley), J10 (Fareham North) and A27/A2030 junction. This downgrade in capacity reliability will impact on freight movements to and from the nationally important ports in Southampton and Portsmouth constraining their ability to remain competitive and grow. Additional impacts include continual poor air quality on western approach to Southampton and safety concerns at M27/M271 junction.

In the current conditions the performance of the strategic transport network is contributing the Solent economy:

- Productivity in the Solent is already less than the national average (£45,645 in 2015 –0.5% below UK average and 8.4% below the South East) which means that the Solent region under performs and contributes to the UK overall productivity gap. Poor productivity can be linked in inadequate transport infrastructure where people cannot access the jobs they require, businesses lose time and goods in slow moving traffic and the labour market is constrained. As the Solent region grows with the new housing and jobs this delay will become more acute,
- At a Solent level, congestion is estimated to cost the local economy £0.6bn per annum (Atkins 2008),
- Journey times by rail between Southampton and Portsmouth is regarded as slow with 2 trains per hour taking between 40 and 59 minutes to travel 20 miles,
- Businesses in Portsmouth have reported difficulty in recruiting skilled labour from the western part of the Solent as a direct result of poor connectivity (Solent LEP 2011).

The Solent economy is predicted to grow by approximately 2% per annum to 2036 with increase in value of goods and services produced to £44bn (Solent LEP 2016). In the period to 2037, it is envisaged that the Solent will need to deliver 104,000 essential new homes and 15,000 additional jobs (PUSH 2016). As a consequence, it is expected that by 2026 there will be 13% more car based trips on the Solent network resulting in a 50% increase in average journey times (Solent Transport 2012). The result being that increasing congestion will restrict job creation (equivalent to loss of 1.7% of future output and potential loss of GVA at 1.3% per annum), longer journeys are being made over the same distance in car based modes that have additional negative environmental, health and societal impacts. Without investment in a transformative transport, travel conditions are predicted to worsen jeopardising the creation of 11,000 new jobs by 2026 (Solent Transport 2012).

Over the next 20 years Southampton will see an additional 19,000 homes and 210,000m² of employment space is planned. A high proportion – 5,500 of those homes and majority of the employment space will be based in the city centre. The Port of Southampton is predicting that container will increase by 64%, and cruise passenger traffic will almost double current levels by 2035 (ABP 2016). This level of development could see an additional 3,500 vehicle trips into the city centre each morning by 2026, with almost 12% more people travelling in Southampton by

2036 (SCC 2015, Solent Transport 2016). The City Centre Action Plan (2015) indicates that to accommodate this growth there will need to be an 11% switch to non-car based transport, necessitating a switch to non-car based modes is essential to realise these aspirations.

Portsmouth is predicted to see an 11% increase in population to 236,000 by 2036 (JSNA Annual Summary 2016). Accompanying this will be an additional 18,500 houses by 2036 and 120,000m² of additional B-class floor space (PUSH 2016). This level of development could see an additional 13% more people wishing to travel in Portsmouth by 2036 (Solent Transport 2016).

The Waterside area of the New Forest includes Totton, Marchwood, Hythe and Fawley, and is forecast to accommodate 3,600 homes over the period to 2036 (PUSH 2016).

The Solent Enterprise Zone at former HMS Daedalus site between Lee-on-the-Solent, Gosport and Stubbington covers at least 46ha provides the environment for businesses to invest and grow. The site is home to Fareham College's Centre for Advanced Skills Training with 900 students, Innovation Centre for small embryonic business to locate plus a mix of light industrial and office space being developed. Transport access is a key constraint on the full site being realised, with road based investment on the Stubbington Bypass secured other non-car based modes will need to be provided to ensure connectivity remains.

To ensure that the transport network is not acting as a brake on this vital housing and employment growth and productivity potential transformative investment is required in the essential strategic transport infrastructure. As demonstrated by modelling through the SRTM, the development can only be achieved with sufficient investment in alternative ways of accessing the city centres. Reducing traffic levels and demand on the M27 will also help to deliver the strategic growth at sites along that corridor.

The location of new development such as in the Waterside will be adjacent to the environmentally sensitive areas around the New Forest National Park and SSSI sites in Southampton Water. Mitigating the impact of any road based transport will be vital, in the shorter term enhancements to the Fawley rail line are unlikely.

This study will investigate the options and scale of impact that transformation changes in waterborne transport provision in the Solent will have on reducing congestion on those strategic transport routes, increase productivity and act as a catalyst for development in Southampton, Portsmouth, Gosport and the Waterside areas.

Supporting LEP's Strategic Priorities

The study is looking at one of the priority sectors for the Solent economy is the marine and maritime sector, accounting for 20.5% of the GVA and 5% of the private sector jobs. The sector is anchored by the International Gateways of the Port of Southampton – the UK's biggest export container and passenger cruise port and Portsmouth Harbour the home of Portsmouth International Port (UK's second busiest continental ferry port) and Portsmouth Naval Base. This vital sector requires reliable transport access and connections to ensure that they remain competitive and efficient as the UK's economy outlook changes and grows into the future. The poor performance of the strategic and local transport network including congestion and long journey times on the M27 will strangle the ability for these two Gateways to perform to their best. Investigating those transformative alternatives to continual increases in traffic levels along the strategic transport routes will achieve greater journey time reliability for these sectors.

Supporting National Goals

The National Productivity Plan (2015) seeks to grow the UK's economy through more employment and higher productivity. While, since 2010, there has been an increase in employment, productivity remains below many advanced economies. The drivers for increasing productivity include an open and enterprising economy and a modern transport system that is able to support industries by bringing businesses and people together to foster agglomeration benefits.

This study is to look at alternatives to private car based commuting transport options that connect people to jobs so they can confidently switch modes. This will reduce and ease congestion on the strategic road network, particularly at peak times, so that the crucial capacity and connectivity can be utilised to bring products to markets and customers and underpin supply chains and logistics.

Part of the study will investigate how improved waterborne transport connectivity will also help to enable the delivery of vital housing sites in Portsmouth, Gosport, Southampton and the Waterside; as well as unlock job opportunities in Portsmouth, Solent Enterprise Zone and Southampton.

A Transformative Transport Solution

While waterborne transport in the Solent region is relatively well developed, with almost 9m passengers carried in 2015, it is focused on some of the coastal settlements and cross-Solent operations. This study is to look at the opportunities for waterborne transport to provide the option for travellers between Southampton and Portsmouth and their hinterlands that shorten journey times, support productivity, provide enhanced connectivity and interchange with land based public transport for onward travel. It also provides the opportunity for enhancing and growing fast ferry services on Southampton Water from the Waterside development areas to Southampton interchanging with transit links to the wider Solent area.

Modal shift for Portsmouth-Southampton journeys is restricted by factors such as distance, time and costs; therefore it is important to understand how a new ferry service could remove/reduce some of these barriers to have a positive impact on transferring trips to non-car modes.

To date there has been little quantitative analysis beyond strategic studies at Solent, Gosport, Portsmouth and Waterside area levels, of the need, deliverability, financial viability, economic impact, environmental and operational requirements of increasing short distance waterborne transport in the Solent. Particularly to understand in the economic impacts on productivity, growth, housing and jobs.

This study is timely as discussions have already commenced with ferry operators around the appetite and understand for making greater use of the water.

2.3 Productivity

The UK Productivity Plan (2015) and Industrial Strategy (2016) acknowledge that the UK is underperforming in terms of economic output – productivity compared to other developed economies. At a Solent level average productivity generates at £45,645 in 2015 – while only 0.5% below UK average it is 8.4% below the South East average. There are a range of factors that are critical for productivity ensuring that people can produce goods and services as efficiently and effectively as possible, including economic infrastructure such as the adequacy of transport systems, there is a need to ensure that the Solent's transport infrastructure is fit for the future, particularly as the UK moves into uncertain times post leaving the European Union. Additionally,

generating more skills, new job opportunities and building more houses in areas where people require them helps productivity.

Good transport infrastructure not only reduces delays, but it can help raise productivity by enabling the cities to achieve agglomeration benefits and rebalance the economy. Nationally, roads carry around 95% of passenger journeys and congestion, which costs 100m working days in the UK, on the Strategic Road Network forecast to increase by between 60% and 204% by 2040 (DfT 2014). Just over 5.3m person trips starting/finishing are made across the whole Solent area across the day. The majority – 65.7% - of these are made by mechanised modes, with 88% of these being made by car.

Reducing congestion on the Solent's highway network through an improved sustainable transport offer will see an increased productivity, working towards the Government's aspiration of making a wealthier and more balanced economy. Efficient waterborne transport for short trips around Southampton Water and Portsmouth Harbour, and for options for commuting between our economic hubs can move towards making reliable journeys and benefit economic growth in Southampton, Portsmouth and along the M27 corridor. There could also be agglomeration benefits by bringing labour markets closer together, such as reducing journey times between the Waterside area and Southampton. The study would provide the opportunity to develop this further and quantify the impacts.

2.4 Please describe the outputs that are expected to be directly unlocked / enabled by this project?

At this stage this is an Options Assessment Study into waterborne transport, but it is envisaged that a final project could:

- Support vital housing development on the Waterside, Gosport, Port Solent & Horsea Island, and Southampton and Portsmouth city centres – totalling 13,500;
- Support 4 of the 68 Tier 1 (most important) waterfront employment sites and areas that are of sub-regional importance at Solent Enterprise Zone (45+ ha), Southampton City Centre (210,000m²), Portsmouth City Centre (50,000m²) and the New Forest-Waterside (32,000m²) – particularly for the marine and maritime industry which employs 11,000 people over 1,730ha of land;
- Supporting ongoing and future investment and growth in the marine and maritime industries in Portsmouth, Southampton, the New Forest (at Hythe and Marchwood), and in Fareham/Gosport (Daedalus);
- Improve transport connectivity for waterborne transport between Southampton and Portsmouth
- New improved multi-modal transport interchange improvements in Waterside, Southampton, Gosport, Daedalus and Portsmouth;
- Reduction in traffic levels, particularly at peak times, on the M27 and local road networks.

2.5 Please describe any wider economic impacts to be achieved by the delivery of this project?

- Support the marine and maritime sectors supply chains by reducing congestion and helping to create better and more reliable road access;
- Bring forward activities that will support better access to the city centres and those key waterfront sites where road access may be constrained;
- Better connect existing labour markets together – Southampton and the Waterside and Portsmouth and Gosport, also provide opportunities for new labour markets to grow – Southampton/Portsmouth to Daedalus by reducing factors such as distance, travel time

and costs;

- Wider agglomeration and connectivity benefits for the Solent.
- Increased productivity

2.6 Please describe any social and environmental impacts to be achieved by the delivery of this project?

There are potential social impacts from improving the ferry connectivity, particularly for more deprived areas which in general are closest to ferry terminals. These are among the most deprived in the Solent sub-region – Charles Dickens and Nelson wards in Portsmouth, areas of Grange, Town and Forton wards in Gosport and parts of Bargate and Bevios wards in Southampton. Better transport options for accessing employment and education opportunities will help to rebalance some of the inequalities here. From the Waterside area, which has some areas of deprivation in Hythe and Fawley, investment in rail based transport is not a viable alternative with poor value for money

Environmental impacts are likely to be around protection of important habitats in Portsmouth Harbour (a SSSI) and Southampton Water. Transferring trips from car to non-car modes will reduce car borne air pollution in Portsmouth and in Southampton – an acute problem here as Southampton has been identified as one of the five worst polluting cities in the UK outside London by DEFRA who are likely not to achieve compliance with EU and UK air pollution limits by 2020. The introduction of a Clean Air Zone in 2019 means that alternatives to sole occupancy vehicle trips are required, such as enhanced public transport from the Waterside. The main land route from this area to Southampton city centre passes through M271/A33 Redbridge Roundabout, which has been identified as the highest concentration of NOx in Southampton and a designated Air Quality Management Area. A high quality public transport system is required to reduce the negative impacts on poor air quality on the city and create a clean air city.

Health benefits from walking and cycling as part of a longer public transport journey as opposed to door to door car journey.

3. Economic Case (*please refer to the prioritisation criteria in the guidance document*)

3.1 Value for money

The expected budget of £40,000 for an Options Assessment Study has been developed from previous experience by the local authorities into strategic transport studies. These include Solent Transport Public Transport Vision, Southampton LTP4 development and Portsmouth LTP4 development. To ensure good value for money a tender competition would be required to formally appoint an appropriate and experienced consultant.

Future development of the Strategic Outline Business Case would follow depending on outcomes of this Options Assessment Study.

At this stage a Benefit Cost Ratio (BCR) for the four elements of the study are not known, previously the TDP (2012) indicated that forecast demand was not sufficient for a Southampton-Portsmouth ferry and it performed badly on value for money. While low it is felt that further benchmarking and investigation of options is required to develop a strategy and understanding of the business case for waterborne transport across the whole Solent region is required.

3.2 Private Sector Leverage

At this stage there is no private sector investment as this is an Options Assessment Study. However, future private sector investment by ferry operators in new vessels/fleet to provide either the strategic Southampton-Portsmouth service or enhancing the Southampton Water or Portsmouth Harbour services could be forthcoming. Indication from the ferry operators is that investment of £1m per new vessel would be required.

During the study ferry operators will be consulted and engaged to ensure that appropriate and accurate technical input is included.

Additional leverage would be required, either through ferry operators, private funding such as developer contributions or additional public money for docking facilities and enhancing the transport interchanges e.g. Southampton, Gosport, Hythe, Fawley, or Daedalus.

4. Financial Case (please refer to the prioritisation criteria in the guidance document)

4.1 Cost of producing feasibility study/ strategic outline business case/ outline business case

Please provide a breakdown of the estimated costs of the development work, broken down into headings such as data collection, consultation, surveys etc. Please note that LEP funding may not be available in 2018/19.

Founding Source	Costs Expended to Date²	2017/18	2018/19	Total
Local Contribution	£	£20,000	£	£20,000
LEP Funding Request	-	£20,000	£	£20,000
Total	£	£40,000	£	£40,000

4.2 Local Funding Contributions

Portsmouth City Council - £10,000

Southampton City Council - £10,000

4.3 Robustness of Costings

The estimated cost of the study has been based on previous studies including Solent Transport Public Transport Vision, Southampton LTP4 development and Portsmouth LTP4 development.

5. Management Case (please refer to the prioritisation criteria in the guidance document)

5.1 Deliverability

The study would be undertaken by appointed consultants and managed by Southampton City Council on behalf of Solent Transport with support from Portsmouth City Council. The consultants would be required to have experience and understanding of ferry feasibility studies and strategy development. They would be appointed through a procurement exercise managed by SCC.

5.2 Programme Plan

June 2017 – confirmation of funding by Solent LEP

July 2017 – procurement of appropriate transport consultants

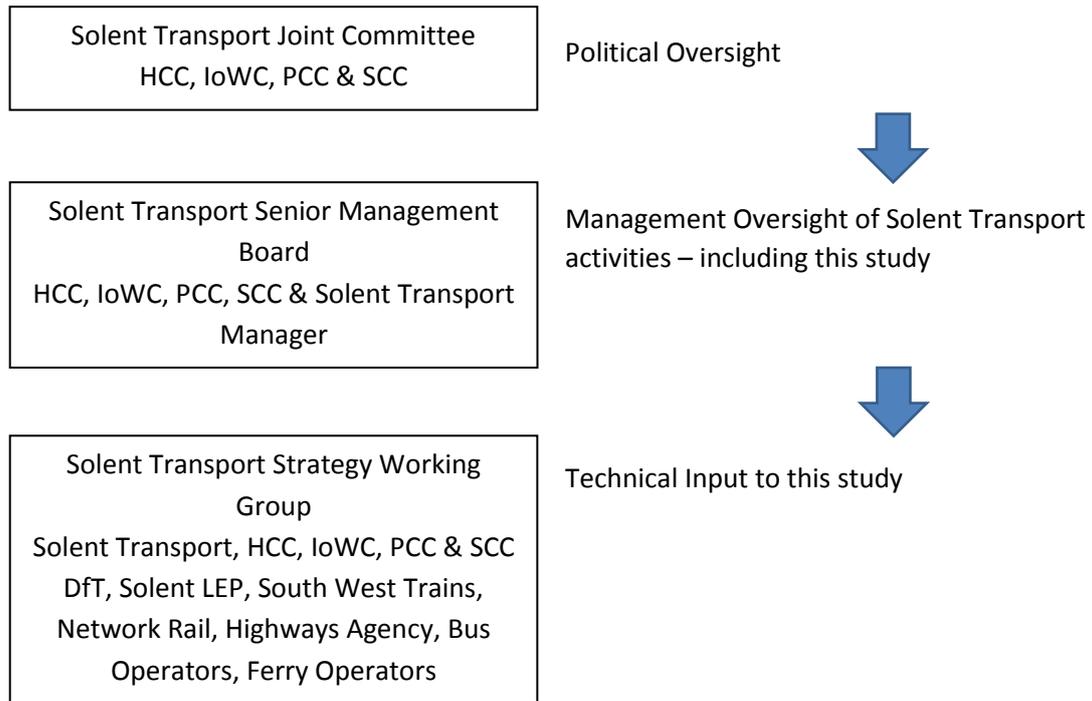
August-October 2017 – undertaking of Options Assessment Study

² Date of application submission.

Winter 2017/18 – Reporting to Solent Transport and LEP.

5.3 Outline Business Case Governance

The study will be overseen by the Solent Transport Senior Management Board who meet on a monthly basis. The Senior Management Board is made up of senior representatives from Hampshire County Council, Isle of Wight Council, Portsmouth City Council, Southampton City Council and Solent Transport. They report to the Solent Transport Joint Committee where there is political representation from the four local highway authorities.



The study will be project management by Solent Transport through Southampton City Council Strategic Transport with support from Portsmouth City Council Transport Planning.

5.4 Stakeholder Engagement

The development of the role waterborne transport plays in the South Hampshire areas is a policy within the Joint South Hampshire Transport Strategy (2011) and enhancements to ferry services within Southampton Water form part of the approach in the Solent Transport Public Transport Vision (2016) and Solent Transport Investment Plan (2016).

Hampshire County Council and the Solent LEP will be engaged as part of the project to directly feed into the proposals through the Solent Transport governance.

Statements have been made in the media about implementation of a Southampton to Portsmouth ferry service from political figures (dailyecho.co.uk). An in April 2017 a preliminary meeting was held between Leaders from Portsmouth and Southampton City Councils and ferry operators Wightlink and Red Funnel to agree the concepts for this proposed study.

5.5 Independence

The appointed transport consultants would work independently of SCC & PCC and take expert information and input from the existing ferry operators in the Solent region (red Funnel, Wightlink, Gosport Ferry) plus others within UK or abroad.

5.6 Risks

Risk	Reason	Potential Impact	Mitigation
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Scope Creep	Scope of the study could change as the project progresses	Low	Well defined scope for the Options Assessment Study (geographical, modes) agreed between SCC and PCC
Over run of project timescales	Level of work involved in the study is more than expected	Low	Quality assurance of outputs
Quality of final study product	Final study outputs not providing the envisaged information	Medium	Quality assurance of outputs
Partnership Working relationship	Change or deterioration in relation between SCC, PCC, and ferry operators	Medium	Establish and maintain relationships particularly with the ferry operators
Data Collection	Poor quality or lack of relevant data	Medium	Ensure review of data is carried out early in the study to identify programme of data collection

6. Commercial Case (please refer to the prioritisation criteria in the guidance document)

6.1 Procurement

The lead authority (SCC) would carry out a short tender exercise on behalf of Solent Transport through its Procurement e-portal to request competitive quotes from suitable transport consultants to carry out the work. This would take approximate 4-6 weeks to complete and would need to demonstrate value for money.

7. Are you submitting more than one application to this fund ? No

7.1 If yes, please list other applications below:

7.2 If yes please indicate ranking for this project (1st, 2nd, 3rd, etc)

8. Declarations

8.1 Lead Individual

I confirm that this bid has the full support of Southampton City Council and hereby submit it to Solent LEP for consideration.

Name: Pete Boustred

Position: Strategic Manager Strategic Transport

Phone: 023 8083 4743

Email: pete.boustred@southampton.gov.uk

Signed:



Please email this completed form to: pipeline@solentlep.org.uk

by the following deadlines:

Round 1 21 April 2017

Round 2 19 May 2017 (subject to funding availability after round 1)



Sent via email

Transport, Environment & Business Support

Floor 4
Civic Offices
Guildhall Square
Portsmouth
PO1 2NE

Phone: 023 9283 4614
Pam.Turton
[@portsmouthcc.gov.uk](mailto:Pam.Turton@portsmouthcc.gov.uk)

Date: 19th May 2017

Dear Pete

Solent Waterways – Options Assessment Study

I write to confirm Portsmouth City Council's wholehearted support, and £10k contribution to the Solent Waterways – Options Assessment Study bid to the LEP's Solent Growth Deal Development Fund 2017.

Strategic transport connections between Southampton and Portsmouth continue to be constrained, and the extensive waterborne access to both cities, an underutilised resource.

This study will seek to explore options to benefit from this underutilised resource, offering a potential for reducing congestion on the M27, and releasing significant economic benefit for both cities and the wider sub-region as a whole.

The study would be undertaken by appointed consultants and managed by Southampton City Council on behalf of Solent Transport, with support and input from Portsmouth City Council.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Pam Turton", enclosed in a thin black rectangular border.

Pam Turton
Assistant Director
Transport Environment and Business Support