

## Agenda Item 10

<b>Cabinet Member</b>	Councillor Bridget Kendrick, Cabinet Member for Projects
<b>Strategic Management Team Lead Officer</b>	Emma Day, Executive Head of Service
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<b>Date</b>	18 <sup>th</sup> June 2019

<b>Ward (s) affected</b>	Leatherhead North and Leatherhead South	<b>Key Decision</b>	Yes
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<b>Subject:</b>	Phase 2 Detailed Feasibility of the Leatherhead Highway Improvement Package
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### Recommendations

1. To delegate to the Cabinet Member with responsibility for Projects in consultation with the Executive Head of Service and the section 151 officer the approval of the allocation of £100,000.00 from the Regeneration Reserve for the purpose of funding a detailed feasibility study of shortlisted options for changes to Leatherhead Gyratory.

### Prosperity

#### A vibrant local economy with thriving towns and villages

- Continue to drive the transformation of Leatherhead Town Centre

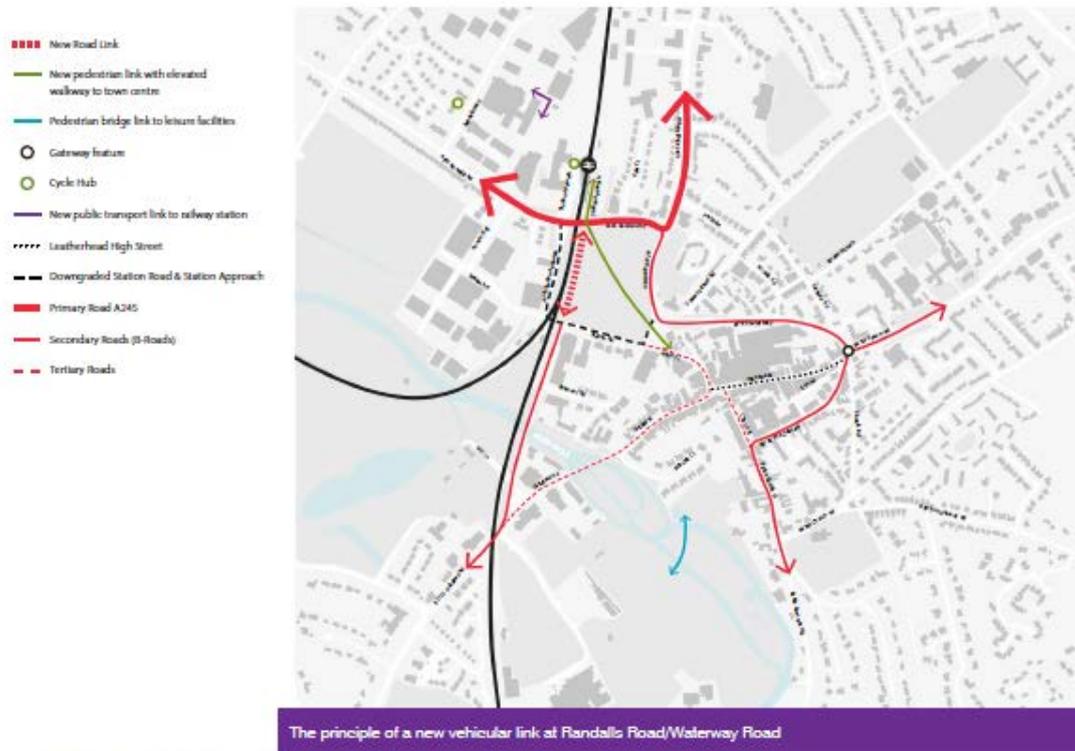
**The Cabinet has the authority to determine the Recommendation**

## 1.0 Background/Introduction

- 1.1 The Transform Leatherhead Masterplan, adopted by MVDC in July 2016, following significant public support, identified a clear aspiration to remove the existing one way system in Leatherhead around the gyratory. The gyratory was considered to be unwelcoming, to increase journey times, favour cars over pedestrians/cyclists and create a barrier to movement. **Appendix A** shows the existing gyratory and flows.
- 1.2 The Masterplan included three highway proposals to be investigated further:
  - A new north-south vehicular link at Randalls Road/Waterway Road and Station Road/Randalls Road alongside the railway.
  - Re-introducing two way movements using the existing road network
  - A new east-west road link across the Bull Hill Site linking the Kingston Road/Bull Hill Junction with the Station Road/Waterway Road junction.

- 1.3 All options included aspirations to improve pedestrian links across Bull Hill for connecting the station with the Town Centre.
- 1.4 They are shown on the diagram extract from the Transform Leatherhead Masterplan.

*(Extract from Transform Leatherhead Masterplan 2016)*



Other ideas considered:



- 1.5 As Bull Hill is the anchor site for the proposed Urban Quarter, the concept of a new road across Bull Hill would have implications for the development options for the Urban Quarter and the wider highway network that needed to be assessed.
- 1.6 The Leatherhead Highway Improvement Package was created to test and

assess the impact on the highway network of various options to meet the objectives as outlined in the Masterplan. The Improvement Package is a phased project, which included Phase 1 Traffic Modelling and Phase 2 - the subject of this report - Detailed Feasibility.

- 1.7 For the Phase 1 Traffic Modelling, following a competitive tender process, WSP was commissioned in April 2019 to create a bespoke S-paramics microsimulation<sup>1</sup> traffic model for Leatherhead. Phase 1 was completed in March 2019. The modelled network plan is included in **Appendix B**.
- 1.8 The Phase 1 Traffic Modelling project was split into 6 stages:
  - Stage 1: Highway Network & Data collection (June 2018)l.
  - Stage 2: Theoretical Gyrotory Tests (October 2018)
  - Stage 3: Future Potential Options & Sifting (November 2018)
  - Stage 4: High level network performance analysis (January 2019)
  - Stage 5: Detailed modelling analysis (February 2019)
  - Stage 6: Conclusions and next steps (March 2019)
- 1.9 Traffic data was collected in June and September 2018 which included vehicle classification, speeds, vehicle flows, turning counts and queueing as well as car park interviews and occupancy levels.
- 1.10 Initial tests on the gyratory were undertaken to understand what causes the existing congestion problems. These tests concluded that the main issues around the gyratory arose from through route traffic diverting from the A24 and A243 which are severely congested at peak times. Leatherhead also has a tidal flow as a result of being located so close to the M25; vehicles travel to and from the M25 within the peak network periods.
- 1.11 The future year traffic modelling showed that traffic capacity and safety improvements will be required on the A24/A243, particularly at Junction 9a, Knoll Roundabout and the A24/Ermyrn Way signal junction. This is to ensure that through route bypassing Leatherhead stays on the arterial road network. Leatherhead's internal road network around the gyratory should be used by drivers travelling within Leatherhead as a destination or an origin journey.
- 1.12 The WSP traffic modelling assessed specific short-medium and long term changes to the gyratory system which will be required to facilitate the transformation of Leatherhead. The options included in the Transform Leatherhead Masterplan were tested, along with some new potential options which arose following the initial gyratory tests to understand the existing issues.
- 1.13 At this stage the following options that have been identified for progressing to Phase 2 Detailed Feasibility are:
  - Improving the connections for pedestrians and cyclists at the Leret Way/Bull Hill/North Street junctions,
  - Reducing the barrier effect of the gyratory,

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<sup>1</sup> is a category of computerized analytical tools that perform highly detailed analysis of activities such as highway traffic flows

- Improving road safety,
  - Closure of the section of Bull Hill from Kingston Road to Leret Way
  - A new road through Bull Hill along the east of the railway embankment.
- 1.14 The reason these options were shortlisted for further evaluation were the positive benefits arising from the modelling results; improved journey times and reduced queuing and congestion. This validates the options to be investigated further for feasibility.
- 1.15 In addition, the options potentially provide significant place-making improvements consistent with the objectives of Transform Leatherhead. This also provides an opportunity to co-ordinate with Network Rail and the “Access for All Funding” at Leatherhead Station to provide further benefits to pedestrian and cycling connectivity from the Station to Leatherhead Town Centre.
- 1.16 Phase 2 detailed feasibility will include obtaining; topographical surveys, pedestrians/cycling surveys, tree surveys, utilities and services analysis, road safety assessments and signal junction detailed design information, amongst other elements.
- 1.17 Progressing the detailed feasibility study is a key dependency for two other ongoing work streams; the options for the Urban Quarter, and the options for the Leatherhead High Street Improvement Study which all need to be considered and co-ordinated.
- 1.18 The detailed feasibility would conclude with indicative and detailed designs for the short-medium and long term highway improvement options, cost estimates, road safety audits and a potential delivery programme. This would enable the investigation of third party funding that may be available, once the potential costs are identified and there are design drawings to discuss with key stakeholders as set out in paragraph 1.20 below.
- 1.19 Officers are seeking approval of the allocation of £100,000 to fund the Phase 2 Detailed Feasibility Leatherhead Highway Improvement Package. This is based on cost estimates for similar highway and transport feasibility projects that the Major Schemes/Transport Policy Team at Surrey County Council has project managed. It is proposed that a specialist highways consultancy firm would be commissioned through a competitive tender procurement process in accordance with MVDC’s contract standing orders.
- 1.20 In addition to being a key dependency for two other TL work streams, in order to be in a position to submit bids for third party capital funding, it is generally a requirement that the bidding authority is able to demonstrate that it has ‘shovel ready schemes’ and/or that schemes are ‘deliverable’. The timetable for bidding for funds is typically very time sensitive, and therefore to be in a position to submit a bid at short notice, detailed feasibility and design studies need to have been completed prior to any funding opportunity being announced.
- 1.21 At this stage, it is envisaged that any changes to the gyratory system would require third party funding. Detailed designs and cost estimates are needed to

understand the potential costs and timescales of the proposed options before any business case can be submitted. Stakeholder support, particularly from Surrey County Council as the Highway Authority, is also required.

### Financial Implications

1.22 The Financial implications of the recommendation are set out above in the body of the report.

<b>Regeneration Reserve Account (May 2019)</b>	£	£
Original allocation from general revenue reserves		1,000
Add: Benefit from 2015/16 NNDR Pool	541	
Benefit from 2017/18 NNDR Pool	261	
Potential benefit from 2018/19 NNDR Pilot*	800	1,602
Less: Claire/James House viability/planning	-820	
Swan Centre development strategy	-190	
Housing Ready, affordable housing report	-30	
Transport data collection and modelling study	-84	
Soft-market testing and advice on the Swan Centre	-30	
Other minor commissions	-50	<u>-1,204</u>
Remaining reserve		<u>1,398</u>

\*2018/2019 NNDR Pilot Benefit will not be confirmed until July 2019

1.23 MVDC is also going to be in a NNDR Pool in 2019/20, so will receive a further benefit in May 2020; however the amount is not yet known and looking forward, it is impossible to predict what will happen to this pooling mechanism, after the new local government funding regime is implemented in 2020/21.

1.24 If the recommendations in this report are approved, the Regeneration Reserve will be reduced to £1,298,000. It should be noted that the Regeneration Reserve is also required to fund other work streams within Transform Leatherhead, such as the wider Riverside Park, transport improvements and a development brief/masterplan for Red House Grounds/Bull Hill. There may also be calls upon the Regeneration Reserve to pump prime initiatives in Dorking or elsewhere in the district.

### Legal Implications

1.25 Procurement -The appointment of a highway consultant to undertake the Phase 2 Detailed Feasibility Highway Interventions for the Leatherhead Gyratory will need to be procured in accordance with MVDC's contract standing orders and public procurement legislation. It is proposed to tender the contract to suppliers to the Homes England Multidisciplinary Technical Framework

## **Other Key Stakeholders**

- 1.26 Decisions on the Highway Network which forms part of the Public Highway are ultimately the responsibility of Surrey County Council as the Highway Authority. Similarly decisions on the rail network and surrounding Network Rail infrastructure, which includes the railway embankment along the western side of Bull Hill are the responsibility of Network Rail.
- 1.27 Discussions, agreements and obtaining approvals from the Highway and Rail Authorities is a critical task within the Phase 2 Detailed Feasibility. As noted Surrey County Council has been a key stakeholder working with Mole Valley District Council on the Phase 1 Traffic Modelling for the Leatherhead Highway Improvement Package. The Project Manager is on secondment from Surrey County Council to ensure co-ordination.

## **2.0 Options**

The Cabinet have the following options:

1. Approve the recommendation as set out in this report
2. Do nothing

This is not recommended as detailed feasibility work is needed to investigate the short-medium and long term highway intervention options and de-risk fundamental elements like utilities information, topographical information and agreement in principle from key stakeholders. Detailed feasibility is required to provide sufficient information to submit business cases for third party funding when available. The Leatherhead Highway Improvement Package would also assist in shaping the development options for the Urban Quarter, as well as meet the principles as set out in the Transform Leatherhead Masterplan

## **3.0 Corporate Implications**

### **Monitoring Officer Commentary**

The Monitoring Officer is satisfied that the relevant legal implications are being taken into account.

### **S151 Officer Commentary**

The Council has made a decision to use un-budgeted 'windfall' income arising from Business Rates Pools and Pilots to create a 'Regeneration Reserve' to support the initiation of major capital schemes, prior to the engagement of development partners.

As noted in paragraph 1.22 this Reserve currently stands at approximately £1.4m, subject to the audit of the 2018/19 Business Rates Pilot. Consequently funding is available to meet the cost of the recommended feasibility study of the options for improvements to the Leatherhead gyratory system. The proposed expenditure is consistent with the objectives of the Reserve.

It is for Cabinet to decide whether this particular study is of sufficient priority to warrant funding, compared with the potential future demands against the

Regeneration Reserve, which is, of course, cash limited. (There is currently no certainty regarding the future retention of Business Rates, including Pools. It is not known what level of Business Rates MVDC will receive after March 2020, and hence whether the Regeneration Reserve will continue to be funded from this source of funding).

However, in this context it is worth noting that Bull Hill represents MVDC's single biggest property asset, in terms of the ability to influence regeneration of one of the District's two main towns, and that any development on this site cannot take place without the recommended feasibility study having been carried out.

## **Risk Implications**

### ***Option 1: Approve recommendation (Recommended)***

This option will provide continued evidence of MVDC's intention to deliver Transform Leatherhead and to meet the principles of the Transform Leatherhead Masterplan. The detailed feasibility work will also derisk the highway interventions and provide detailed design drawings, road safety audits and cost estimates to use for future business cases to obtain third party funds.

### ***Option 2: Do nothing (Not Recommended).***

This will not deliver on the objectives of Transform Leatherhead and risks reputational damage to MVDC in terms of its ability to deliver transformational change.

## **Equalities Implications**

Whilst there are no equalities implications directly related to this report, an equalities impact assessment would be undertaken by the commissioned Highway Consultancy prior to completing the indicative and detailed designs.

## **Employment and Resourcing Issues**

There are no employment issues arising from this report. From a resourcing standpoint, successful implementation of the recommendations set out in this report will call upon resources from a number of in-house teams, including Environmental Health, Planning Policy, Legal Services, Procurement, and Communications,.

## **Sustainability Issues**

No sustainability issues have been identified as a result of this report. However, it is proposed that Environmental Health will be an internal stakeholder, specifically providing advice on the potential air quality impacts of the shortlisted highway interventions at the detailed feasibility study..

## **Consultation**

Exhibitions are scheduled on 4<sup>th</sup> July and 6<sup>th</sup> July in Leatherhead to provide an update on the Traffic Modelling project and the shortlisted options for detailed feasibility study.

Public updates on the traffic modelling have also been provided at the Transform Leatherhead Public Forums and the Member and Community Reference Groups in

October 2018 and March 2019. Updates have also been provided through the Transform Leatherhead e-update.

### **Communications**

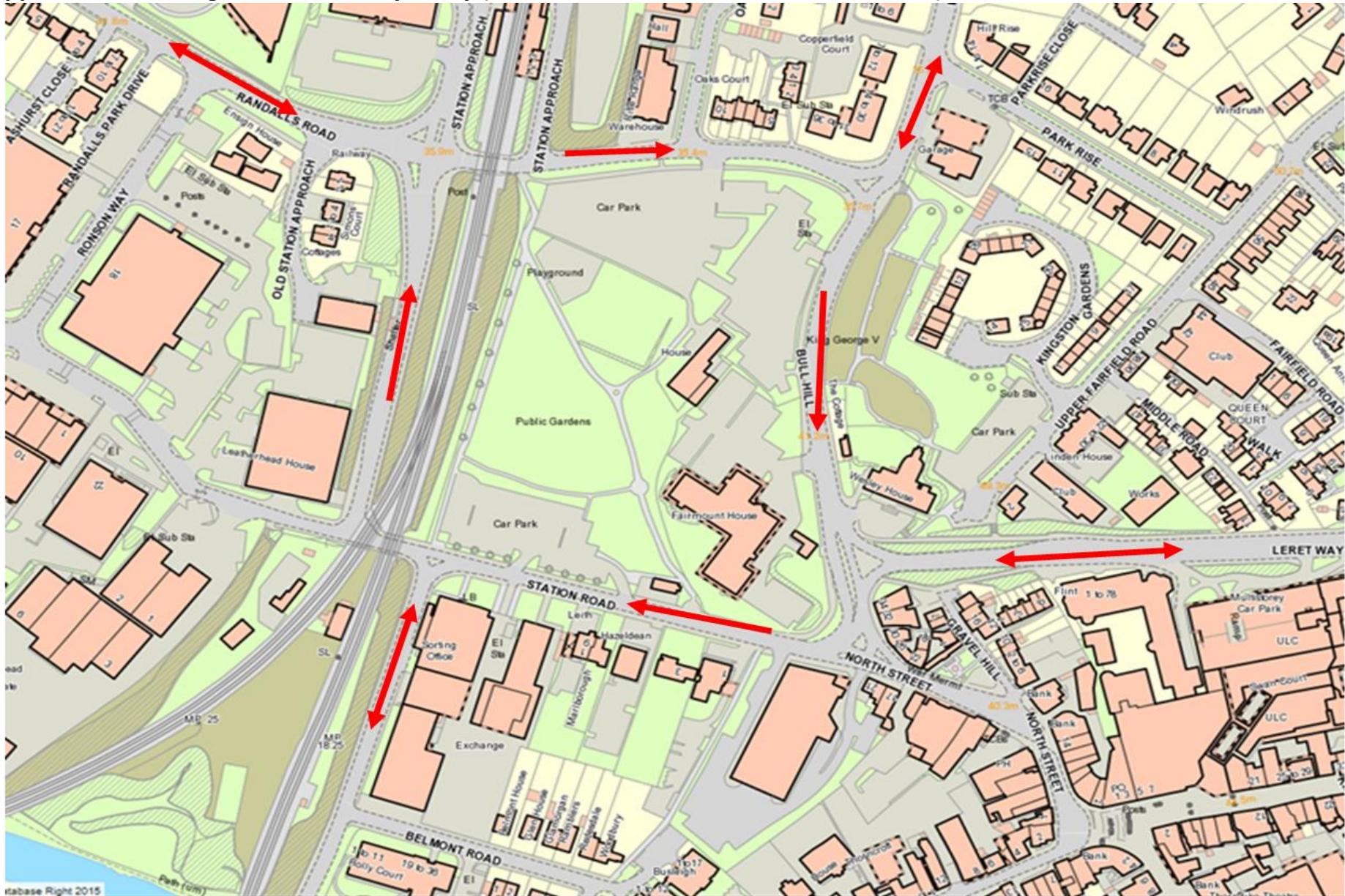
The Phase 1 traffic modelling and Phase 2 detailed feasibility work streams are part of the Communications plan for Transform Leatherhead. A press release will be undertaken once the successful consultants have been commissioned through the competitive tender process.

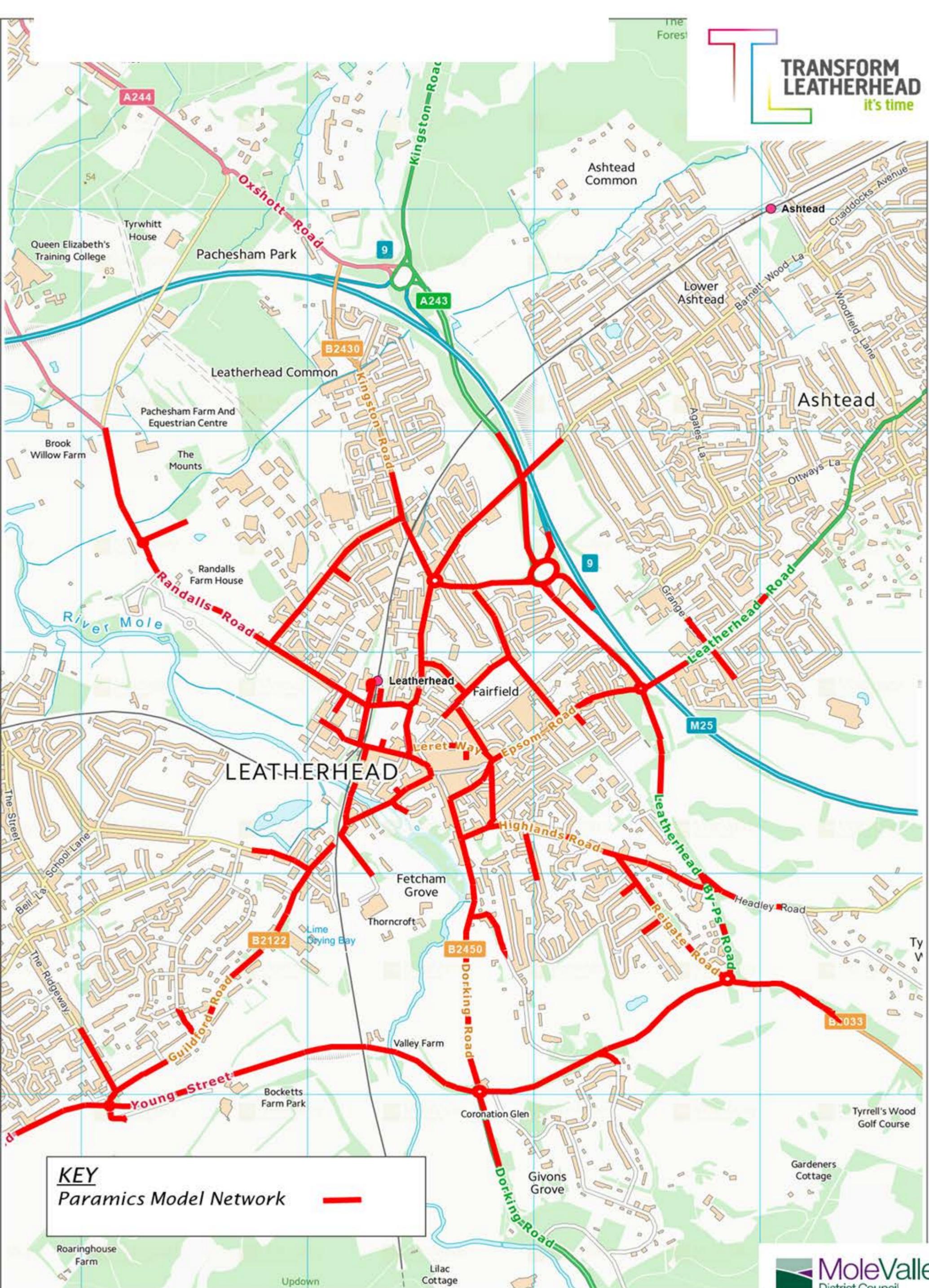
The exhibitions being held on 4<sup>th</sup> and 6<sup>th</sup> July, which will include providing an update on the Phase 1 Traffic Modelling, have been advertised.

### **Background Papers**

None

Appendix A: Existing Leatherhead Gyratory (arrows show current direction of traffic)





**KEY**  
Paramics Model Network —