

Strategic Case Summary

The key objectives of the City Centre Road Scheme ("the **CCR scheme**") as set out in the scheme's Strategic Outline Business Case (SOBC) submitted to DfT in July 2026, are to:

- Promote the regeneration of Portsmouth City Centre and Portsmouth City Centre North by unlocking developable land that can meet the ambitions of the emerging **Portsmouth Local Plan**. This will allow the development of the City Centre North site to provide a new residential and mixed-use development that can contribute towards the city's overall housing need and the **Council's 2040 City Vision**.
- Manage traffic in the area through reallocation and reconfiguration of road space.
- Deliver a key component of a comprehensive integrated sustainable travel network within the western corridor area, supporting wider objectives around air quality and sustainable transport and ensuring sustainable travel is integral to new development.
- Integrate with wider policy and strategy including the Local Transport Plan (LTP 4), Portsmouth City Council Vision – Imagine Portsmouth, Local Plan and the city's commitment to Net Zero.

The [Portsmouth City Vision](#) identifies six key themes, upon which strategic objectives for the Portsmouth Local Plan have been developed (see Chapter 2 of the Pre-Submission Local Plan). The CCR scheme delivers against three of these objectives:

- [A city with easy travel](#): The CCR scheme provides significant additional infrastructure for buses, walking and cycling in a key part of the city for these modes of travel, supporting the ambitions of fewer journeys being made by car due to excellent public transport, walking and cycling connections.
- [A healthy & happy city](#): The CCR scheme helps to maximise the benefit of the City Centre North allocation, supporting the ambition that all residents and communities live in good homes where they feel safe, feel like they belong, and can thrive.
- [A green city](#): through enhanced transport infrastructure, the CCCR scheme supports the aims around sustainable transport and residents living healthy & active lives. The scheme also releases space which enables improved green infrastructure in the City Centre North strategic allocation.

The Council's guiding objectives for managing and improving the transport network are set out in the [Portsmouth Transport Strategy 2021-2038](#) (LTP4). Through provision of enhanced public transport and active travel infrastructure the CCR scheme directly supports two of the four strategic objectives:

- **Prioritise walking and cycling** - actions to enable and promote greater uptake of active travel
- **Transform public transport**- delivery of improvements which support greater use of public transport, particularly bus

As set out in the Council's answer to MIQ7.25b, the primary purpose of the CCR scheme is to relocate existing highway capacity (as opposed to creating new capacity). The scheme broadly maintains and optimises existing highway capacity and land while using released highway space to provide continuous bus priority, cycling facilities and improved pedestrian connections in a key hub area of the city for bus and active travel, therefore supporting the objectives above. The scheme also aims to support the other two objectives of PCC's current transport strategy as far as possible without detriment to the walking, cycling and public transport strategic objectives:

- Improved junction layouts on this key artery through the city centre will help to deliver against the objective around efficient operation of the city's highway network to support the economy and key strategic users ("**Support Business & Protect Our Assets**"), supporting essential trips that cannot easily be made by other modes.
- Limiting increases in highway capacity and using released space to improve facilities for sustainable modes of transport aims to achieve modal shift, supporting the objective to "**Deliver Cleaner Air**".

This approach aligns with a "vision led" approach to planning, as required by the NPPF.

The scheme delivers substantial benefits particularly for buses/ bus users. Para 7.4.4 of the Local Plan [Strategic Transport Assessment](#) (IN03a) notes a slight reduction in forecast flows within the CCR scheme boundary in the 2041 "Do Something" scenario (CCR scheme included) compared to the 2041 "Do Minimum" scenario - some person trips are opting for non highway-based modes in the demand model, likely due to road travel becoming less competitive as a result of delays, and the competitive position of non-car modes improving as a result of the CCR scheme. As noted in section 6.16 of the [Strategic Transport Assessment](#) (IN03a) and subsequent submissions to this examination, the Local Plan STA employed conservative assumptions in its modelling study.

Summary of Economic Case from SOBC

The CCR scheme has been appraised in line with the DfT's Transport Analysis Guidance (TAG) and HMT Green Book guidance. Traffic modelling has been undertaken using the Solent Sub-Regional Transport Model (SRTM) which is a multi-modal transport model designed to test the impacts and benefits of land use and transport interventions. The Solent SRTM is fully TAG-compliant and has been extensively calibrated and validated. .

The appraisal is structured across three levels, reflecting increasing levels of complexity and uncertainty. Level 1 considers transport user benefits, Level 2 incorporates wider economic impacts without land use change and Level 3 includes additional impacts associated with dependent development and land value uplift.

Overall, the Level 1 assessment yields a Benefit to Cost Ratio (BCR) of 0.6, reflecting its primary function as an enabling intervention rather than a capacity enhancing scheme. The Level 3 assessment yields a BCR of 1.7 under central case assumptions, ie when wider economic impacts are included, the case for the scheme improves considerably.

Further sensitivity testing showed how the design of the CCR scheme could be further enhanced to improve the level 1 benefits. These revisions include amendments to junctions at Commercial Road and Church Street, the new Hope Street Junction and the Lake Road Roundabout shows that the scheme benefits could be more than doubled, providing an uplift in benefits to circa Level 1 BCR 1.4 and a Level 3 BCR of 2.5. This shows the scheme has the potential to have a high value for money.

Funding Mitigation

PCC remains committed to delivering the CCR scheme to enable optimum development at the City Centre North allocation. This is expected to require external funding. The Council's primary funding route was the DfT's Major Road Network (MRN) fund, given that the CCR scheme had previously been publicly identified by Government as a candidate for this funding subject to business case ([link](#)). In light of the Government recently removing the CCR scheme from consideration for this funding, despite the scheme having a strong strategic and economic case, the Council will be seeking clarification from DfT to understand the reasoning for this.

Working on the basis the expected MRN funding is no longer accessible, the Council is reviewing other potential funding routes. As part of the anticipated feedback/ clarification from DfT the Council

will be requesting information on alternative funding opportunities via DfT, if any. Other funding routes could include Homes England's Brownfield Infrastructure and Land Fund and also the National Highways Growth and Housing Accelerator fund (to which the Council submitted an Expression of Interest (EOI) earlier in 2026, albeit this has not been successful in securing funding in the first round of this fund).

As part of the Devolution process in Hampshire & the Solent, a new Hampshire & Solent Combined County Authority (HSCCA) has been established this year. HSCCA has secured an investment fund of £1.3 billion from central Government - £17.8 million per year in 2026 and 2027, and £44.6 million per year for 30 years from 2028. HSCCA's areas of competency include Transport and Local Infrastructure, and Housing and Strategic Planning, both of which the CCR scheme strongly supports. The CCR scheme is included on an initial list of schemes for potential investment funding which the Council has submitted to HSCCA, and the CCR scheme team has provided an initial briefing on the scheme to HSCCA.

Fundamentally, as explained in this note, the CCR scheme has a strong strategic case and a sound economic case, and other potential funding routes for it exist and are being actively and urgently explored. The Council therefore remains confident the scheme can be delivered.