PTE/18/23

Cabinet 11 July 2018

A Gateway to Northern Devon - A361/A39 North Devon Link Road South Molton to Bideford approval to go to planning, tender and acquire land through negotiation/CPO

Report of the Head of Planning, Transportation and Environment

Please note that the following recommendations are subject to consideration and determination by the Cabinet (and confirmation under the provisions of the Council's Constitution) before taking effect.

Recommendation: That Cabinet

- (a) approves the preliminary scheme layout shown on the scheme plans (attached to the report in Appendix I) and delegates to the Head of Planning, Transportation and Environment, in consultation with the Cabinet Member for Infrastructure, Development and Waste and relevant local member(s), to make minor amendments to the scheme details and to progress towards a Full Business Case;
- (b) approves that the Scheme is progressed through the required Statutory Consents and Approval Processes, including a Planning Application and environmental permit;
- (c) approves the commencement of the acquisition of land through negotiation and/or a Compulsory Purchase Order (CPO); and
- (d) approves that the Scheme may proceed to tender and prepare a Full Business case submission to the Department for Transport.

1. Summary

This report follows the Cabinet report dated October 2017 regarding the A361/A39 North Devon Link Road (NDLR) project. It reports on the outcome of the Outline Business Case (OBC) submission and progress made to delivering the Scheme. The report seeks approval to proceed with a planning application, land acquisition, tender and prepare a Full Business Case to the Department for Transport (DfT).

2. Background/Introduction

This is the third Cabinet report that has been submitted as part of the North Devon Link Road Improvement Scheme. Previous reports have documented scheme progress up to the submission of the OBC, which is for the first phase of the overall strategy identified in December 2017. For further background on the project prior to OBC submission, including the Objectives and Aims, please refer to the 2016 & 2017 Cabinet reports which can be found on the scheme website here: https://new.devon.gov.uk/ndlr/project-documents

The Scheme

The Scheme to improve the North Devon Link Road (NDLR) is summarised in Table 1 and comprises:

- 7.5km of widening to upgrade the performance of the NDLR between South Molton and Barnstaple (16km); and
- Junction improvements to support sites identified for housing and employment opportunities in South Molton, Barnstaple and Bideford.

Junction	Description	Dependent Development
Buckleigh Road Junction	Provision of traffic signal control	6,100 houses and
Heywood Road Roundabout	Increased capacity of roundabout, plus crossing for pedestrians/cyclists	30 hectares of employment
Westleigh Junction	Increased capacity of traffic signal junction	
Bishop's Tawton Roundabout	Increased capacity of roundabout and segregated pedestrian/cycle facility	4,100 houses and 26 hectares of
Landkey Junction	Provision of four arm roundabout	employment
West Buckland Junction	Provision of grade separated junction	Removal of uncontrolled right
Hacche Lane Junction	Ban right turns	turns
Borner's Bridge Junction	Provision of roundabout and improved pedestrian/cycle facilities	1,200 houses and 14 hectares of employment
Links	Description	Description
Portmore Roundabout to Landkey Junction	Provision of 1.5km of WS2+1	Provision of alternating overtaking
Landkey Junction to Swimbridge	Provision of 2.0km of WS2+1	(WS2+1) with central metre strip
Swimbridge to Filleigh Cutting	Provision of 4.0km of WS2+1	and average speed cameras

Table 1: The Scheme

Detailed plans of the Scheme are given in Appendix I.

The combined effect of this scale of improvement would be that this key gateway to northern Devon would have a new modern feel with greatly improved overtaking, safety and resilience. The business survey suggests such a scheme would have a measurable benefit to the economy of the area. Further discussion on the benefits of the scheme are set out in section 3.3.5 - 3.3.6 of the 2017 Cabinet Report, which can be found here: <u>https://new.devon.gov.uk/ndlr/project-documents</u>

Programme Entry for the Scheme within the Large Local Major schemes programme was confirmed by the DfT on the 23 May 2018 enabling the scheme to move through planning, land acquisition and works tender to the production of the Full Business Case. DfT approval of this will enable commencement of construction.

This report outlines the proposed steps and decisions required to bring the scheme to the submission of the Full Business Case which, if approved by the DfT, would allow construction to begin in 2020.

3. The Proposal

The submission of the Strategic Outline Business Case and Outline Business Case have progressed at a fast pace and have been achieved according to programme. This next stage is even more challenging. The work is being undertaken predominantly using DCC in-house resources. This is a combination of environmental, economic, design, land acquisition and legal.

Planning Application

The outcome of a Pre-Application Screening Request concluded that only the road widening between Portmore Roundabout and Filleigh Cutting, including junction improvements to Landkey and West Buckland Junctions, require an Environmental Impact Assessment (EIA). A planning application for Portmore Roundabout to Filleigh Cutting will therefore be submitted in October 2018.

Improvements to the remaining six junctions would be permitted development.

Land Assembly

Private land will be required for this scheme. All identified landowners have been contacted or visited by the design team and are aware of the proposals.

It is intended that, where possible, land will be acquired through negotiation. However, the Compulsory Purchase Order (CPO) process will run in parallel with negotiations to reduce risks associated with not securing land. Where agreement cannot be reached there is time in the programme for a Public Inquiry.

<u>Tender</u>

The tender documents will comprise two packages: the road widening works and the junctions. The tender process would begin in late-2018 and run through to mid-2020 ready for the submission of the Full Business Case. This would allow construction to start in late-2020.

Construction

Construction will be phased over a period of 3 years with works grouped and phased to minimise disruption, however there will still be a residual impact during this time.

4. Consultations/Representations/Technical Data

Three public consultations were undertaken prior to the submission of the OBC, all of which have shown considerable support for a scheme. The results of the 2017 consultation are summarised in Section 3 of the 2017 Cabinet Report, with further detail provided in Public Consultation Reports on the project documents page here: https://new.devon.gov.uk/ndlr/project-documents.

Full and constructive engagement has taken place with statutory environmental bodies to ensure their understanding of the scheme proposals and to ensure that concerns are addressed prior to submission of the planning application. Stakeholders and consultees will be able to submit further comments regarding the proposals during the planning application.

5. Financial Considerations

The NDLR scheme has been the subject of a successful bid and has been allocated £83.1m from the DfT Local Majors Fund. This funding is subject to a final decision by the DfT in 2020 once a Full Business Case has been presented by DCC. The grant award is entirely capital in nature, and therefore any revenue costs will need to be met from existing resources.

As agreed by Cabinet in October 2017, the scheme costs are being funded from the sources shown in Table 2 below:

Funding	Amount
DfT Local Majors Fund	£83.115m
Devon County Council	£5m
Developer Funding Contributions*	£5m
TOTAL	£93.115m

Table 2: Funding sources

*Every effort will be made to increase Developer Funding Contributions to exceed the £5m, thereby reducing the overall capital contribution required of DCC. Should the £5m Developer Funding Contributions target not be reached, then this gap will be met by DCC.

The new estimated profile of spending, in line with changes in the scheme since the submission of the OBC (including costs to be incurred prior to Full Approval in 2020), are shown in Table 3 below:

	Financial Year (£ms)									
	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26 onward	Total
DfT	0.000	3.426	5.113	9.008	33.271	31.019	1.278	0.000	0.000	£ 83.115
DCC	0.423	0.977	0.000	0.000	0.000	0.000	0.970	1.840	0.790	£ 5.000
Developer cont.	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5.000	£ 5.000
Outturn	0.423	4.403	5.113	9.008	33.271	31.019	2.248	1.840	5.790	£ 93.115

Table 3: Spending profile

Should Full Approval of the Scheme be granted in 2020, funding will be paid as capital grant under Section 31 of the Local Government Act 2003. In advance of Full Approval, land purchase and early design work is required to ensure that the scheme remains on programme. Discussions are currently taking place with the DfT to determine the final profile of funding and the extent to which funding is to be provided in advance of Full Approval.

The total cost up to 2020 (date for Full Business Case approval) is £1.4m from DCC and £8.539m from DfT, which is the amount needed from DfT to forward funding this project. If the DfT do not agree to forward fund the project, the DCC commitment will rise from £1.4m to approximately £10 million in order to cover land acquisition and advance work. DCC would then be forward funding a project for which future funding is not certain and which is still dependent on a successful Full Business Case approval. Should Full Approval not be granted, or funding be withdrawn in the future, some costs may have an impact on revenue budgets.

The financial position has been assessed with the County Treasurer and her team and assuming the long-term scale of the funding requirement (from FY2017/18 to FY2024/25+), it is considered there is scope for a £10 million contribution towards the scheme from the County Council's Capital Programme, including the £1.4 million already approved. However, it is not considered feasible that the County Council's revenue budget could take the risk of having to cope with funding £10m. Therefore, there would be a need for further consideration if DfT refuse to forward fund the scheme.

It should be recognised that the DCC contribution will constrain any other large requests for funding over the medium term.

6. Environmental Impact Considerations

Environmental impact considerations at the submission of the OBC are set out in Section 7 of the 2017 Cabinet report which can be found here: <u>https://new.devon.gov.uk/ndlr/project-documents</u>.

Further active engagement with environmental consultants will be undertaken as the design is refined, and a full Environmental Impact Assessment will be produced prior to the submission of a planning application in Autumn 2018.

7. Equality Considerations

In progressing this particular scheme, an Impact Assessment has been prepared which has been circulated separately to Cabinet Members and also is available on the Council's website at: https://new.devon.gov.uk/ndlr/project-documents and at https://new.devon.gov.uk/ndlr/project-documents and at https://new.devon.gov.uk/ndlr/project-documents and at https://new.devon.gov.uk/impact/published/, which Members will need to consider for the purposes of this item.

8. Legal Considerations

The lawful implications of the recommendations have been considered in the formulation of the recommendations set out above. In principle this is a relatively straight forward scheme that the Council have considerable experience in delivering however in practice the scale of the scheme presents a challenge. There are numerous land owners involved, and a relatively short timescale to negotiate and acquire land.

When making a Traffic Regulation Order it is the County Council's responsibility to ensure that all relevant legislation is complied with. This includes Section 122 of the Road Traffic Regulation Act 1984 that states that it is the duty of a local authority, so far as practicable, to secure the expeditious, convenient and safe movement of traffic and provision of parking facilities.

9. Risk Management Considerations

This proposal has been assessed and all necessary safeguards or actions have been taken/included to safeguard the Council's position. The scheme is subject to the normal engineering and assessment risks. A quantified risk assessment has been undertaken and the risk costs have been included in the scheme estimate.

Description of Risk	Mitigation			
Programme				
To meet the 2020 deadline the programme for The Scheme is ambitious with little contingency should work fall behind.	The main risks to the programme are associated with statutory processes and land acquisition. In both cases DCC has initiated proven mitigation measures to manage the potential impacts on cost and time. Such mitigation measures include the use of extensive experience in negotiating land acquisition without the use of compulsory purchase order powers and full and constructive engagement with statutory environmental bodies to ensure their full understanding of the scheme proposals prior to submission of the planning application			

Table 4 below describes the significant risks to the Scheme and the mitigation strategies for them.

Rising Cost					
If the project costs rise, then DCC will be liable for paying these costs. The DfT contribution is fixed.	Costs will continue to be monitored and reported monthly at Project Board Meetings throughout the preparation of the Full Business Case. When going to tender, contracts will be designed to manage the risk of overspend.				
Construction					
The NDLR is the main route connecting Northern Devon with the rest of the county and the UK. Works on this section of road could cause severe disruption and could result in an adverse impact on DCC's reputation.	Construction management has been considered throughout the design process so that the design lends itself to easier construction. Construction will be phased and works grouped to minimise construction along the route. However, some residual impacts will remain.				
Change of Political Landscape					
Funding has been earmarked for The Scheme by Government but shifts in the political landscape prior to Full Approval could result in the funding being reallocated.	The majority of DCC spend will fall after the Full Approval in 2020. Spend before Full Approval (£1.4m italics in Table 3) is accepted as a risk, though work undertaken to develop the scheme may be useful should a different funding opportunity materialise in the future. Decisions may also be taken to proceed with the scheme in smaller stages to avoid incurring abortive revenue costs and achieve completion of the scheme.				

Table 4: Risks and Mitigation Strategies

10. Public Health Impact

The public health impact of the scheme was considered at the submission of the OBC, and is described in Section 11 of the 2017 Cabinet report which can be found here: <u>https://new.devon.gov.uk/ndlr/project-documents</u>.

The scheme will be subject to a Stage 1 Road Safety Audit, which will be undertaken prior to the submission of the Planning Application. There will be further Stage 2 and Stage 3 Safety Audits.

11. Options/Alternatives

The DfT has confirmed Programme Entry for the Scheme within the Large Local Major schemes programme, therefore no options/alternatives can be considered at this stage.

12. Reason for Recommendation/Conclusion

The scheme continues to meet the overall objectives set out by DCC at the beginning of the project, as described in the 2017 Cabinet Report. It also continues to have a high level of public and political support.

Work to progress the scheme through the DfT processes has been previously agreed by cabinet. The scheme has now been approved by the DfT to progress to a Full Business Case submission for the full amount of funding that was bid for in the Outline Business Case. The Scheme remains deliverable, and no critical risks have materialised since the submission of the

Outline Business Case in 2017 which should prevent the project from progressing to Full Business Case submission.

Dave Black Head of Planning, Transportation and Environment

Electoral Divisions: South Molton, Chulmleigh and Landkey, Barnstaple North, Barnstaple South, Fremington Rural, Bideford East, Bideford West and Hartland, Northam, Torrington Rural, Ilfracombe, Braunton Rural, Combe Martin Rural.

Cabinet Member for Infrastructure, Development and Waste: Councillor Andrea Davis

Chief Officer for Communities, Public Health, Environment and Prosperity, Dr Virginia Pearson

Local Government Act 1972: List of Background Papers

Contact for enquiries: David Black

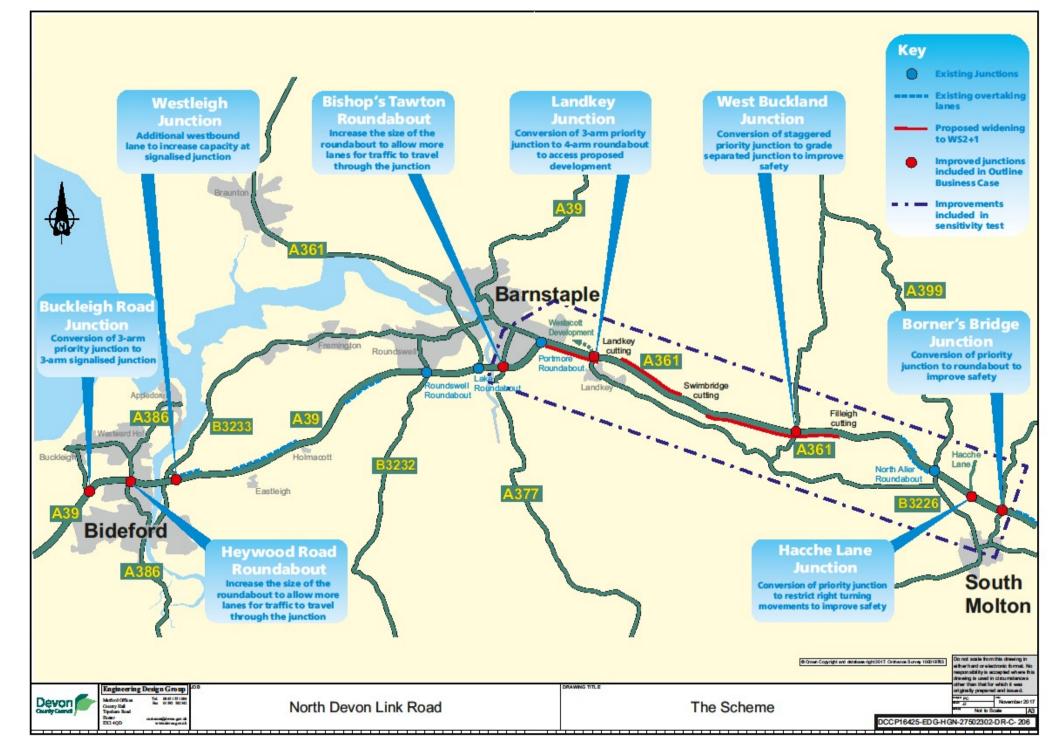
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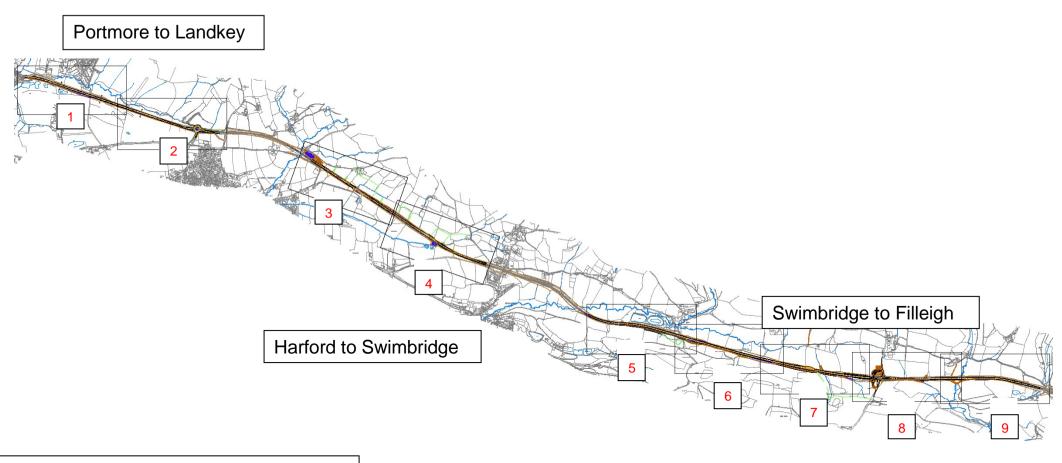
Back	ground Paper	Date	File Reference
1.	NDLR Strategic Outline Business Case	October 2016	https://new.devon.gov.uk/ndlr/project-documents
2.	NDLR Value Management Workshop report	June 2017	https://new.devon.gov.uk/ndlr/project-documents
3.	NDLR Technical Appraisal Report	June 2017	https://new.devon.gov.uk/ndlr/project-documents
4.	NDLR Public Consultation Report	September 2017	https://new.devon.gov.uk/ndlr/project-documents
5.	NDLR Scheme Selection Report	September 2017	https://new.devon.gov.uk/ndlr/project-documents
6.	NDLR Environmental Assessment Report	September 2017	https://new.devon.gov.uk/ndlr/project-documents
7.	NDLR Outline Business	December 2017	https://new.devon.gov.uk/ndlr/project-documents
8.	NDLR Impact Assessment	June 2018	https://new.devon.gov.uk/ndlr/project-documents

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Appendix I To PTE/18/23



Location of Detailed Scheme Plans



Note: These detailed plans only show the sections for which a planning application will be submitted, other junctions will be improved under permitted development. Scheme plans for all junctions can be found at the end of this appendix

