

## **Bid into Government Levelling Up Fund: Round 2**

Report of the Director of Climate Change, Environment and Transport (designate)

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 the Cabinet be asked;

- (a) to give approval for the Council to work with the District Councils to submit bids to the Government's "Levelling Up Fund" (LUF) in July 2022, for the following schemes:
  - i. Okehampton - new rail station & transport hub
  - ii. Cullompton - Town Centre Relief Road
  - iii. Exmouth – Destination Exmouth Completion of Dinan Way and improved cycle and pedestrian links to the Town Centre
  - iv. Newton Abbot to Torbay Cycle Route
  - v. Lee Mill - Slip road, cycle/pedestrian improvement (potential linkage to the Freeport) and bus interchange improvements;
- (b) to approve the Levelling Up Fund bids be submitted with a total estimated cost of £92 million and approve the increase in the capital programme of up to £6.3 million as a contribution from Devon County Council;
- (c) to agree where approval is granted to negotiate the terms of any funding agreements required to secure the funding or any part of it, authority is delegated to the Director of Climate Change, Environment and Transport;
- (d) that delegated approval be given to the Director of Climate Change, Environment and Transport, in consultation with the Local Member and Cabinet Member for Climate Change, Environment and Transport, to make minor amendments to the bid submissions.

### **1. Summary**

The Department for Transport, the Ministry for Housing, Communities and Local Government and the Treasury are planning to invest in high-value local infrastructure. Devon was unsuccessful in the first round of bids in 2021. Following this there was a feedback session and this has been incorporated in the second round of bids. The Levelling Up Fund (LUF) is to be distributed as a capital grant, as part of this government's broader offer to level up opportunity across the UK.

Working with the key stakeholders a programme of schemes has been identified which cover a range of transport modes and spread the bids over a wide geography covering a number of key Market Towns. The bids include investments in public transport, active travel, local road improvements and accessibility improvements. The bids are for high-impact small to medium schemes to reduce carbon emissions, improve air quality, cut congestion, support economic growth, and improve the safety, security and overall experience of transport users.

This report identifies five projects including a rail station, a strategic cycle scheme and three other schemes, with associated highway, pedestrian/cycle improvements aimed at reducing the impact of traffic on sensitive residential areas and town centres. Each scheme will aim to demonstrate a net gain in biodiversity, a reduction in carbon and air quality improvements.

## 2. Introduction

The Government's Levelling Up Fund was announced at the 2020 Spending Review to support communities in order to regenerate town centres, enable investment in cultural facilities or upgrade local transport infrastructure. The LUF will focus on capital investment in local infrastructure thereby building on and consolidating prior funding programmes. It will have a visible, tangible impact on people and places, and support economic recovery. In doing so, it will also create opportunity across the country, with priority to bids that invest in regeneration and growth in places in need and areas of low productivity and connectivity.

The eligibility is complex. The Government has categorised all authorities based on the need for economic recovery and growth; improved transport connectivity and regeneration. The table below shows the categories for Districts in Devon, with the guidance stating that preference will be given to bids from higher priority areas. Bids from category 2 or 3 places will still be considered for funding on their merits of deliverability, value for money and strategic fit.

<b>District Authority</b>	<b>Assessed Category of Need</b>
Torridge	1 – High need
Mid Devon	2 – Medium need
West Devon	2 – Medium need
East Devon	2 – Medium need
Exeter	3 – Low need
North Devon	3 – Low need
South Hams	3 – Low need
Teignbridge	3 – Low need

Members of Parliament are allowed to back one bid that they see as a priority. There are other criteria, but it works out that each District Council and the County Council can submit one bid as long as it is supported/prioritised by the MP.

Where the MPs are supporting District Council bids we have been working closely with the Districts to help them develop their proposals, where there are transport related elements. The County Council can only bid for one transport scheme. Schemes need to demonstrate spend in 2022-23 with all funding spent by end of March 2025.

## 3. Proposal

Numerous discussion and consultations have taken place with District Councils and MPs in the development of this major programme of works and some District

Councils are also preparing other, non-transport bids. The proposed programme is ambitious and deemed deliverable.

### Okehampton

Working with West Devon Borough Council they will submit a bid for a West Devon Transport Hub in Okehampton. The transport hub will include a new rail station close to the emerging development and the junction off the A30 to the east of Okehampton. The transport hub will enable the best use of the new rail connection to Exeter, which started operating at the end of 2021. Devon currently owns the necessary land. The hub will include facilities for bus connections, cycle links and facilities and electric vehicle charging at the car park. The aim is to provide an interchange for Okehampton and the rural hinterland stretching up to Holsworthy, Hatherleigh and North Cornwall, which currently has poor connectivity to the national rail network.

### Cullompton

Working with Mid Devon District Council they will submit a bid for Cullompton Town Centre Relief Road (CTCRR). The scheme recently received planning permission. CTCRR will enable traffic to be removed from the High Street therefore improving air quality, cutting congestion and enabling further regeneration of the historic core of Cullompton. Mid Devon District Council have secured £10 million in funding from the government's Housing Infrastructure Fund (HIF), but it is insufficient taking into account the high cost of land acquisition, mitigation work related to relocation of sports facilities, pedestrian/cycle facilities and construction costs. Whilst the District has been successful in its bid for HIF funding, it may not be recognised under the LUF as local match. DCC are therefore contributing match funding to support this scheme.

### Exmouth

Working with East Devon District Council they will submit a package bid which includes the Dinan Way extension. Dinan Way currently forms a partial ring road around Exmouth, but it lacks the final connection to the A376. As a result, traffic from Dinan Way has to use unsuitable residential roads to access the A376 main road to Exeter and the M5. Furthermore, goods vehicles accessing the Liverton Business Park, surrounding employment & retail area and the road to Budleigh Salterton are signed to travel through residential areas and past the school on the periphery of the town centre. The Dinan Way extension proposals, which secured planning permission in 2017, will provide an improved pedestrian/cycle connection to the Exe Estuary multi-use trail and has potential for better bus services to Exeter. It will also enable significantly faster journey times by buses with a more direct link to the A376.

This will form part of a wider bid covering Exmouth, with other walking and cycling proposals focusing on the regeneration of the town centre. East Devon District Council are developing a number of interventions utilising district owned land to enhance the existing town centre assets. This could include new mobility opportunities, better accessibility and wayfinding to strengthen the links between the key arrival points at the rail station or the Exe Estuary multi-use trail with the town

centre and riverside estuary for leisure and cultural attractions. Together with the Dinan Way extension scheme, this will form a package enhancing Exmouth as a destination.

#### Newton Abbot to Torbay Cycle Route

Working with Teignbridge District Council they will submit a bid to enhance the cycle connectivity, appeal and safety between Newton Abbot and Torbay. This has been identified in the Heart of Teignbridge Local Cycling & Walking Infrastructure Plan (LCWIP) as the primary route for commuting, with significant potential for modal shift as well as offering potential for increase in leisure rides, such as day trips in Newton Abbot or Torbay. Torbay's LCWIP also identifies the need for the scheme which provides improved access to the proposed new rail station at Edginswell and Torbay Hospital.

The proposals will also seek to enhance connectivity to and from the large new residential development at Wolborough, south of Newton Abbot, and deliver community enhancements at Penn Inn underpass, a core thoroughfare linking together routes for both utility trips and leisure.

#### Lee Mill

South Hams District Council will submit a bid for a new Lee Mill A38 eastbound slip road, and bus interchange. Working with Sustrans the bid will include improvements to the cycle connections between Ivybridge and Langage Freeport/Plympton. The evolution of Lee Mill has resulted in substantial development which is accessed off the A38 from a junction layout which lacks a conventional full all-movements junction. In particular, the eastbound off-slip utilises an urban features road with HGVs serving the large industrial estate on the eastern edge of the settlement passing close to residential properties with associated air and noise pollution. Land is available for the replacement A38 eastbound off-slip which would enable traffic to be removed from the central area of Lee Mill village. The consultation demonstrated very strong support for the scheme. In order to ensure existing facilities for public transport are enhanced, a bus interchange will be constructed with drop off and cycle parking facilities. If possible, there will be some car parking adjacent to the bus stop potentially with EV charging which could be used by local residents.

#### **4. Consultations**

Various consultations have taken place on every scheme at the appropriate level. All schemes have a high level of support.

#### **5. Strategic Plan**

The table below demonstrates how the proposals meet the Strategic Plan priorities and actions.

Key - 0 - No impact 1 - Medium 2 - Good 3 - Very Good

<b>Strategic Plan Priorities</b>	<b>Strategic Plan Actions</b>	Okehampton	Cullompton	Exmouth	Newton Abbot	Lee Mill
Responding to the climate emergency	Prioritise sustainable travel and transport opportunities for cycling and walking	2	1	2	3	2
Responding to the climate emergency	Support the transition to low emission vehicles	3	0	0	0	2
Support sustainable economic recovery	Secure investment in transport infrastructure to stimulate economic growth	3	3	3	2	3
Support sustainable economic recovery	Improve sustainable transport, generate and sustain economic growth, improve air quality and provide better places for people	3	3	3	3	3
Improving health and wellbeing	Greater opportunities for walking and cycling to increase their physical activity	2	1	2	3	2

<b>Strategic Plan Priorities</b>	<b>Strategic Plan Actions</b>	Okehampton	Cullompton	Exmouth	Newton Abbot	Lee Mill
Responding to the climate emergency	Prioritise sustainable travel and transport opportunities for cycling and walking	2	1	2	3	2
Helping communities to be safe, connected and resilient	Transport options, including public transport to improve access to services and jobs and to tackle social isolation	3	1	3	3	3

## 6. Financial Considerations

The funding from the LUF is limited to £20 million per scheme unless there is an exceptional case. There is an expectation from Government that there will be a local contribution of at least 10%. The schemes identified in the report all have strong transport element therefore it is recommended that the County Council make a substantial financial contribution, as shown below:

Scheme	DCC Contribution £ million	District Council Contribution £ million	Levelling Up Fund Bid £ million	Total Cost £ million
Okehampton – West Devon Transport Hub	1.2	0.5	15.3	17.0
Cullompton - Town Centre Relief Road	1.5	10	13.5	25.0
Exmouth - Completion of Dinan Way and Town Centre improvements	1	1	18	20.0
Newton Abbot to Torbay Cycle Route	1.1	0.5	13.8	15.4
Lee Mill – Slip Road, bus gate and ped/cycle improvements	1.5	0	13.5	15.0
<b>Total</b>	<b>6.3</b>	<b>12</b>	<b>74.1</b>	<b>92.4</b>

District Council contributions are expected to come from developer contributions, with the exception of Mid Devon who have secured an existing allocation from the

Government's Housing Infrastructure Fund. The contribution from Devon County Council would be funded from internal borrowing which is an increase to the existing capital programme and would result in an annual repayment charge to revenue of approximately £252,000. The Capital Strategy for 2022/23 suggests that this level of new internal borrowing is currently affordable. However, all new future internal borrowing will be kept under review and will only be submitted for approval at outturn, where cashflow allows.

In terms of revenue implications for Okehampton - West Devon Transport Hub, there may be some initial revenue support to cover the rail-related operational costs over the first three-years as has been the case with other new rail stations in Devon; however, this will be offset by fare paying passengers and is not expected to exceed £50,000 per annum. To cover ongoing maintenance and security costs for the car park, the County Council will either introduce a nominal parking charge (in line with charges at Okehampton Town Station) or lease the car park to the train operating company to maintain and operate the facility.

Cullompton and Exmouth, add small sections of additional road length and will reduce traffic flows on other roads. There will be a slight increase in overall maintenance costs. Lee Mill includes a modified junction and bus interchange, but no additional road length.

## **7. Legal Considerations**

There are no specific legal considerations although funding agreements will have to be established with the District Council where they are the lead authority.

## **8. Environmental Impact Considerations (Including Climate Change)**

All the schemes are expected to have a valid permission by the end of the year which will demonstrate a net gain in biodiversity, a reduction in carbon and air quality improvements. There is a wide range of schemes including a rail station, a strategic cycle route and transport schemes aimed at reducing the impact of traffic on sensitive residential areas and town centres.

## **9. Equality Considerations**

Where relevant to the decision, the Equality Act 2010 Public Sector Equality Duty requires decision makers to give due regard to the need to:

- eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- foster good relations between people by tackling prejudice and promoting understanding.

Taking account of age, disability, race/ethnicity (includes Gypsies and Travellers), gender and gender identity, religion and belief, sexual orientation, pregnant women/new and breastfeeding mothers, marriage/civil partnership status in coming to a

decision, a decision maker may also consider other relevant factors such as caring responsibilities, rural isolation or socio-economic disadvantage.

This will be achieved, for example, through completing a full Equality Impact Needs Assessment / Impact Assessment or other form of options/project management appraisal that achieves the same objective.

Impact Assessments have either previously been prepared or are in the process of being developed and will be reviewed as bids are advanced. Successful schemes will be subject to a further Cabinet report and the inclusion of an Impact Assessment.

## **10. Summary**

It is recommended that each of the above schemes is progressed to submission of a bid for the Levelling Up Fund capital grant.

Meg Booth

Director of Climate Change, Environment and Transport (designate)

Electoral Divisions: All

Cabinet Member for Climate Change, Environment and Transport: Councillor Andrea Davis

Cabinet Member for Highway Management: Councillor Stuart Hughes

### **Local Government Act 1972: List of Background Papers**

Contact for Enquiries: Jamie Hulland

Tel No: 01392 383000

Room: County Hall, Topsham Road, Exeter EX2 4QD

Background Paper

Date

File Reference

Nil

Bid into Government Levelling Up Fund: Round 2 – Final