

AGENDA ITEM NO. 17
COUNCIL
Date **27 FEBRUARY 2014**
Title **FENLAND'S INFRASTRUCTURE INVESTMENT**
1. PURPOSE/SUMMARY

To consider and approve the attached Cabinet report following consideration and approval by Overview and Scrutiny Committee at its meeting on 27 January 2014, and further consideration by Cabinet on 27 February 2014.

2. KEY ISSUES

- Please refer to the attached previous Cabinet report of 21 November 2013 which sets out the key issues.
- Overview and Scrutiny Committee considered and approved this report at its meeting of 27 January 2014.
- The relevant O and S minutes are attached for information.
- This report will be considered by Cabinet on 27 February 2014, prior to the Council meeting, following which any comments or amendments will be reported to Council as part of considering this report.

3. RECOMMENDATION(S)

- To consider and approve the attached Fenland's Infrastructure Investment Report following consideration and approval by Overview and Scrutiny on 27 January 2014.

Wards Affected	All
Forward Plan Reference No. (if applicable)	
Portfolio Holder(s)	Councillor Alan Melton – Leader Councillor Ralph Butcher – Transport, Infrastructure, Health and Wellbeing.
Report Originator	Wendy Otter – Transport Development Manager Gary Garford – Corporate Director
Contact Officer(s)	Wendy Otter – Transport Development Manager Gary Garford – Corporate Director Rob Bridge – Corporate Director and Chief Finance Officer

Background Paper(s)

- Fenland's Infrastructure Investment Overview and Scrutiny Report of 27 January 2014
- Fenland's Infrastructure Investment Cabinet Report of 21 November 2013
- Extract from the Minutes of Fenland District Council Cabinet Meeting from 21 November 2013

AGENDA ITEM NO.

CABINET

Date **21 November 2013**

Title **Fenland’s Infrastructure Investment**

1. PURPOSE/SUMMARY

To note Fenland’s Infrastructure Investment and seek cabinet approval for Fenland District Council to contribute up to £800,000 towards the cost of the A14 upgrade scheme linked to the overall Fenland infrastructure requirements.

2. KEY ISSUES

- The improvement of the A14 between Cambridge and the A1(M) has long been a priority for Cambridgeshire.
- Following a significant amount of lobbying an A14 scheme between Cambridge and the A1(M) re-entered the national Roads Programme during 2012.
- The route is both a national cross road (M11 to A1 (M), A14 west to east, and M11 to A14 west) and a major bottleneck with up to 85,000 vehicles per day on its busiest length.
- The Highways Agency held a public consultation exercise, which included publishing draft plans for the A14 upgrade. The proposed £1.5bn scheme will provide much-needed capacity on the 25-mile route.
- Following the policy commitment from the Secretary of State that confirmed the A14 Improvement Scheme in the National Roads Programme, Cambridgeshire County Council has been working with partners to discuss the potential for raising the local contribution. This approach took place in the form of two A14 summits.
- A partnership approach to contribute £100m has been developed based on a no interest fixed cost approach, commencing in 2019/2020 (this timing is subject to DfT approval).
- That the Fenland infrastructure requirement, which includes the highlighted package of key projects and measures, directly links to the requested support for the A14.
- The Councils contribution is proposed as up to £800,000.

3. RECOMMENDATION(S)

Cabinet is requested to:

- Support the A14 scheme proposals
- Approve for Fenland District Council to pay up to £800,000 towards the cost of the A14 scheme, linked to Fenland’s overall infrastructure requirements as outlined in this report.
- Request that Overview and Scrutiny Committee review this proposal prior to referral to Council.

Wards Affected

All

Forward Plan Reference No.

Portfolio Holder(s)	Councillor Alan Melton – Leader Councillor Ralph Butcher – Transport, Infrastructure, Health and Wellbeing.
Report Originator	Wendy Otter – Transport Development Manager Gary Garford – Corporate Director
Contact Officer(s)	Wendy Otter – Transport Development Manager Gary Garford – Corporate Director Rob Bridge – Corporate Director and Chief Finance Officer
Background Paper(s)	

1. Background

- 1.1. The improvement of the A14 between Cambridge and the A1(M) has long been a priority for Cambridgeshire. A number of schemes for the improvement of the road have been proposed, the latest of which was cancelled just prior to the commencement of its public inquiry in October 2010.
- 1.2. Following a significant amount of lobbying from a range of organisations in Cambridgeshire an A14 scheme between Cambridge and the A1(M) re-entered the national Roads Programme during 2012 in an announcement by the then Transport Secretary, Justine Greening. A key feature of the announcement was that funding would be required from tolling as well as a locally generated contribution if the scheme was to go ahead.
- 1.3. Members have also considered the overall Fenland Infrastructure requirements which includes the following package of key projects and measures which directly links to the requested support for the A14:
 - Improvements to the A605 King's Dyke crossing and conditional that FDC do not provide financial contributions to this project.
 - That CCC and County LA partners will fully support and help facilitate the improvements to the A47 from Great Yarmouth to the Midlands with an emphasis on the Wisbech bypass and the link from Wisbech to Guyhirn/Thorney.
 - That CCC will continue to explore and support improved links from Wisbech to the March rail hub to better link the town into the overall rail network.
 - That CCC will endorse and support the housing and economic growth proposals as contained in the emerging Core Strategy document, and in turn signpost investment opportunities to Fenland where appropriate.

2. Why is the A14 Scheme needed?

- 2.1. The route is both a national cross road (M11 to A1 (M), A14 west to east, and M11 to A14 west) and a major bottleneck with up to 85,000 vehicles per day on its busiest length. Chronic congestion is a daily hazard on this two lane dual carriageway, as are the large number of accidents and incidents which because of the high traffic volumes exacerbate the congestion and reputation of the road and the area. There is also much rat running on local roads and through villages as a consequence of traffic avoiding the daily congestion.
- 2.2. Not only is the route of international significance, being a TENT-T Core route, it is crucial to the whole of Cambridgeshire. Its poor performance impacts on the local social life and the local economy. Estimates of the value of the travel cost economic benefits of an improvement scheme suggest a benefit /cost ratio of above 2.1, excluding wider economic benefits. Including that would lift the ratio towards 3. The commitment to undertaking the scheme is also vital for the authorities agreeing to the going ahead for Northstowe New Town to grow from 1,500 to 10,000 new dwellings. Northstowe is a major element in the County's growth agenda.
- 2.3. Two thousand vehicles per day are travelling to or from Fenland and using the A14 just north of Cambridge. It is possible that this traffic would not need to use the Huntingdon Southern Bypass, which prospectively could be tolled. Fenland traffic travelling westward via Huntingdon /A141 would again avoid this tolled length. This would be an inbuilt advantage for Fenland traffic using an improved A14.

3. The Proposal for the new A14 Upgrade Improvement scheme

3.1. From 9 September to 13 October 2013 The Highways Agency held a public consultation exercise, which included publishing draft plans for the A14 upgrade. The proposed £1.5bn scheme will provide much-needed capacity on the 25-mile route. The key elements of the scheme include:

- A new 12 mile Huntingdon Southern Bypass, with junctions at Ellington, at Brampton (where the A14 would meet the A1), at Godmanchester, and on the existing A14 at Swavesey. Proposals under consideration include this section of bypass being tolled. Initial indications are that cars would pay around £1 - £1.50 and lorries around double this amount.
- The A14 through Huntingdon would be de-trunked. The A14 viaduct over the mainline railway in Huntingdon would be demolished, enabling the existing A14 to be tied into local roads, greatly improving traffic flows in the town and accessing sites for possible new development.
- The A14 will be widened from Swavesey to Milton (the section between Girton Interchange and Histon will be widened earlier as part of a separate improvement scheme. Work is due to start in early 2014).
- A new single carriageway access road will be built alongside the improved A14 between Fen Drayton and Girton and is intended for local use
- Girton and Milton junctions will be upgraded to improve traffic flow and to add more capacity, with improvements to other junctions along the route
- Two new junctions will be constructed at Bar Hill and Swavesey to maintain existing access to the trunk road and to connect with the new local road network
- The A1 will be widened between Brampton and Alconbury in order to provide the additional capacity needed to cope with traffic linking to the A1 from the new Huntingdon Southern Bypass.

3.2. Further details about the consultation are provided on the Highways Agency website. Here is a link to the relevant page:

<http://www.highways.gov.uk/news/press-releases/new-plans-for-a14-upgrade-published/>

3.3. To inform the option that has been put forward for public consultation the DfT commissioned an A14 Challenge Study which reported in November 2012. This provided technical details on the options. From this information the Highways Agency then went onto develop the option that formed part of the public consultation. The technical documents behind this work can be found on the Highways Agency website through the link below:

<https://www.gov.uk/government/consultations/a14-cambridge-to-huntingdon-improvement-scheme>

4. Partnership Approval

4.1. Following the policy commitment from the Secretary of State that confirmed the A14 Improvement Scheme in the National Roads Programme, Cambridgeshire County Council has been working with partners to discuss the potential for raising the local contribution. This approach took place in the form of two A14 summits.

4.2. Pledged contributions were made from partners in the area total £70.5m, these coming from Local District Councils plus Peterborough City Council, Northamptonshire, Essex, Suffolk and Norfolk County Councils, the Greater Cambridgeshire Greater Peterborough Local Enterprise Partnership (GCGP LEP), New Anglia LEP and the South East Midlands Local Enterprise Partnership (SEMLEP). A Cambridgeshire County Council contribution

would be provided of £25m with the remaining balance of £4.5m proposed through the Horizons Rolling Fund.

4.3. The expectation of the above £100m funding package was reported back to Government by the County Council. Meanwhile, Government has been working up the wider details of the overall funding package for the scheme and made an announcement in the Spending Review on 26th June 2013 that the scheme would be funded on the proviso that the locally agreed contribution of £100m was forthcoming. The funding package would allow the scheme to go ahead beginning in late 2016, (subject to statutory procedures under the 2008 Planning Act) with completion expected in 2019/20.

5. Costs

5.1. The expectation is that the local contribution to the scheme will be payable over a period of time, proposing to commence in 2019/2020 (this payment timing is subject to DfT approval) and will unlock the Government funding, to make the scheme affordable and thus enable delivery. The Department for Transport (DfT) and Treasury have made it clear that if adequate local funding is not available, there is a strong chance the scheme will not go ahead.

5.2. During September 2013, CCC Cabinet has approved their financial contribution of £25m over 25 years towards the scheme to be funded through a top slice of the Council's Local Transport Plan funding allocation.

5.3. Other partner contributions are now being finalised with the relevant executives for the total funding package of £100m.

5.4. The basis on which the contributions are to be made still needs to be agreed with the DfT and Treasury. As an outline, however, the following general terms have been suggested and have been accepted by DfT. This will form the starting point for discussions.

1. The local contribution is a straight cash sum of £100m, to be found over 25 years, not subject to indexation or debt costs

2. The local contribution can be phased over time, with flexibility for different contributors to commit different profiles of spend (this is critical - for example - to allow LEP funding from Enterprise Zones which will build up over time)

3. The local contribution is capped at £100m, regardless of any uplift in scheme costs that may follow

4. If scheme costs reduce, the local contribution would reduce pro-rata

6. The Fenland contribution

6.1. The following proposal related to the Councils contribution is proposed to Cabinet for consideration and approval:

- 6.1.1. The Councils contribution is proposed at a level of up to £800,000.

- 6.1.2. The contribution will be spread over 25 years with the first payment in 2019/2020

- 6.1.3. The conditions in 5.4 above will apply

6.1.4. The financial impact will be up to £32000 per annum – this can be either revenue or capital and the full details will be assessed and detailed in the medium term financial plan leading up to 2019/2020.

6.1.5. The proposed support for the A14 is linked to the overall Fenland infrastructure requirements, which includes the following:

- Improvements to the A605 King's Dyke crossing and conditional that FDC do not provide financial contributions to this project.
- That CCC and County LA partners will fully support and help facilitate the improvements to the A47 from Great Yarmouth to the Midlands with an emphasis on the Wisbech bypass and the link from Wisbech to Guyhirn/Thorney.
- That CCC will continue to explore and support improved links from Wisbech to the March rail hub to better link the town into the overall rail network.
- That CCC will endorse and support the housing and economic growth proposals as contained in the emerging Core Strategy document, and in turn signpost investment opportunities to Fenland where appropriate.

OVERVIEW AND SCRUTINY PANEL

27 JANUARY 2014 - 1.00PM



PRESENT: Councillor Chambers (Chairman), Councillor Mrs French (Vice-Chairman), Councillors Mrs Bucknor, Hodgson, Miss Hoy, Stebbing and Councillor Sutton

ALSO IN ATTENDANCE: Councillors Butcher (until 1.35pm), Curtis (until 1.35pm) and Councillor Seaton

OBSERVING: Councillors Miscandlon (until 1.35pm) and Murphy (from 1.35pm).

APOLOGIES: Councillors Swan and Archer

OFFICERS IN ATTENDANCE: Jane Bailey, Gary Garford, Anna Goodall and Tom Lewis

*** FOR INFORMATION OF THE COUNCIL ***

1 FENLAND'S INFRASTRUCTURE INVESTMENT

Councillor Butcher presented Fenland's Infrastructure Investment Report.

Members asked questions, made comments and received responses as follows:

1. Councillor Chambers stated that anything that can be done to upgrade the A14 will have considerable benefits to Fenland and Cambridgeshire. He added that the contribution of £800,000 is a minute amount compared the total cost of the project, and asked how the contributions from Huntingdonshire compare. Councillor Curtis stated that all local district councils in Cambridgeshire as well as a number of neighbouring County Councils are contributing towards the scheme. Gary Garford confirmed that he has a confidential document detailing the contributions, he stated that quite simply, the closer you are to the A14 you higher your contribution is. Councillor Butcher confirmed that this Council are looking for contributions towards the King's Dyke Crossing to be waved;
2. Councillor Mrs Bucknor stated that Councillor Melton made a statement to Council with regards to the A14 proposals, and although Councillors were able to ask questions they had not been given sufficient time to prepare. She added that the report refers to the number of people from Fenland using the A14 but includes no real data. She stated that this Council has faced and are facing huge cut backs and asked where are the statistics that show that Fenland will benefit from these improvements. Councillor Butcher confirmed that there was a debate in Full Council. Councillor Chambers stated that page 7, bullet point 2.3, refers to the figures for Fenland. Councillor Mrs Bucknor stated that this refers to 2000 vehicles per day, but would be interested to know who had carried out the analysis, and how the 2000 were identified. She asked how the sum of £800,000 was justified against 2000 vehicles per day;
3. Councillor Curtis agreed that 2000 vehicles per day are not a significant number but when that is multiplied by 365. Gary Garford confirmed that the traffic studies identified the vehicles migrating out from Fenland heading towards the A14, he added that we may be on the periphery which is why our contribution is lower;

4. Councillor Curtis confirmed that County Council have committed to a similar arrangement for the proposals relating to the A47 if it is to go ahead, as it fits into the bigger picture of the County Council's work. Councillor Butcher clarified that no finances have been agreed with regards to the A47;
5. Councillor Hodgson stated that £800,000 over 25 years is not so hard hitting;
6. Councillor Sutton stated that group members were very aware of his initial response to the A14 proposals, but subsequently can see the benefits now that the amount has been reduced, he added however that he is concerned how it will be paid for. He feels that as the decision is being made by this administration, it should be this administration that organises the financing of the scheme; therefore, he suggested that the £800,000 should be set aside from current capital funding. Councillor Curtis stated that other authorities are looking at the benefits of spreading the cost over 25 years, using future funding like the New Homes Bonus. Councillor Sutton stated that by 2020 there may be different arrangements in place, the New Homes Bonus may be different, this administration should take responsibility for the decision they are making. Gary Garford stated that we will build this funding into the future budget plans; the payments will not start until the work starts. It will be more difficult to commit this sum from the Capital Programme as resources are limited, if we have the option to pay an annual revenue contribution with no interest over a period of time, that is the preferred financial option;
7. Councillor Stebbing stated that there are 7000 service personnel based at the Alconbury Airbase living in the surrounding community and the A14 is their main route to the base. Councillor Curtis stated that there is anticipated growth around Alconbury too. One of the big drivers is to create a ripple effect of the growth in the City out to the rest of the County, this will make it more attractive to businesses;
8. Councillor Mrs Bucknor confirmed that she understands the confidential nature of the document detailing the contributions to be made by other authorities but would appreciate seeing the amounts involved. She stated that the A14 is 45 miles from Wisbech, the population of Fenland is approximately 96,000, and she does not feel comfortable that this contribution is based on just 2000 vehicles a day. She added that we were not asked to contribute towards the guided busway, we do not benefit from the improved bus services and train services. She confirmed that she can see the benefits of this scheme, but not for Fenland and therefore cannot support the proposals. Councillor Curtis confirmed that nobody was asked to contribute towards the guided busway as this project was almost entirely funded by Government funding. He stated that there is a lot going on right now to benefit Wisbech, this scheme fits into the bigger picture for Cambridgeshire;
9. Councillor Mrs Bucknor stated that she is looking at the proposal from the point of view of the people in Fenland who are feeling 'hard pressed'. She added that this is a weak report to argue the case to make such a large financial contribution when this Council are making staff redundant;
10. Councillor Miss Hoy stated that she is pleased to see that we will no longer be making a contribution towards the King's Dyke Crossing. She stated that the contribution towards the A14 scheme was reduced from £1m to 800,000 to reflect the fact that Wisbech would not really benefit, so feels that this has already been recognised;
11. Councillor Butcher agreed that there could have been a little more detail in the report, he asked Councillor Mrs Bucknor if she would have been happy to make no contribution to the A14 but to contribute £1m towards the King's Dyke Crossing. Councillor Mrs Bucknor confirmed that she has given no consideration to this and does not have enough information to make a decision on that;
12. Councillor Curtis stated that just because something is not as close to something else it does not mean that it will have no benefit, these proposals will benefit the whole of Fenland;
13. Councillor Sutton stated that the former Finance Portfolio Holder agreed a deal for £1m, it was argued that there would be more benefit to the south than the north of Fenland and therefore was reduced to £800,000;

14. Councillor Seaton stated that he understands Councillor Mrs Bucknor's passion for Wisbech, but she is a Fenland District Councillor and this is an issue that is greater than just Wisbech, it affects the whole of Fenland.

Members agreed that the Fenland Infrastructure Investment Report be considered by Cabinet and Council on 27 February 2014.

(Councillor Mrs Bucknor requested it be noted that she did not agree)