

**AGENDA ITEM NO. 4**
**OVERVIEW AND SCRUTINY PANEL**

<b>Date</b>	<b>27 JANUARY 2014</b>
<b>Title</b>	<b>FENLAND'S INFRASTRUCTURE INVESTMENT</b>

**1. PURPOSE/SUMMARY**

To consider the attached report and minutes which were referred to Overview and Scrutiny Committee by Cabinet on 21 November 2013.

**2. KEY ISSUES**

Please refer to the attached Cabinet Report from 21 November 2013 which sets out the key issues.

**3. RECOMMENDATION(S)**

To consider the Fenland's Infrastructure Investment Report from 21 November 2013 and make recommendations to the Cabinet Meeting of 27 February 2014 and the subsequent Council Meeting of the same date.

<b>Wards Affected</b>	All
<b>Forward Plan Reference No.</b> (if applicable)	
<b>Portfolio Holder(s)</b>	Councillor Alan Melton – Leader Councillor Ralph Butcher – Transport, Infrastructure, Health and Wellbeing.
<b>Report Originator</b>	Wendy Otter – Transport Development Manager Gary Garford – Corporate Director
<b>Contact Officer(s)</b>	Wendy Otter – Transport Development Manager Gary Garford – Corporate Director Rob Bridge – Corporate Director and Chief Finance Officer
<b>Background Paper(s)</b>	<ul style="list-style-type: none"> <li>• Fenland's Infrastructure Investment Cabinet Report of 21 November 2013</li> <li>• Extract from the Minutes of Fenland District Council Cabinet Meeting from 21 November 2013</li> </ul>



**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.

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

## **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 26<sup>th</sup> 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.



C37/13 **FENLAND'S INFRASTRUCTURE INVESTMENT**

Councillor Melton presented the Fenland's Infrastructure Investment report and thanked officers for taking the advice given from Members in order to bring back the report in its current form. He stated it was essential that Fenland receive commitment from partners in order for Fenland's aspirations to receive serious consideration. The recommendation is to support in principle up to £800,000 but with a request for a review from the Overview and Scrutiny Panel and that statements are received from stakeholders and partners. Before this can be ratified, the Overview and Scrutiny Panel will need to satisfy Cabinet that there is a commitment from the proposed partners and that it will be used for the benefit of Fenland.

Councillor Seaton stated further discussions had taken place regarding the tolling of the A14 and before this is presented to Council, Fenland needs reassurance that if the tolling does not go ahead then there will be no pressure put on councils to make up the loss of monies. Councillor Melton stated Fenland had made it clear that once a commitment is made there will be revisiting of this regarding the increase of monies and under no circumstances would this be brought back for an increase; this view was shared by fellow leaders within the county.

**It was DECIDED that:**

- **The A14 scheme proposals be SUPPORTED;**
- **Fenland District Council pay up to £800,000 towards the cost of the A14 scheme, linked to Fenland's overall infrastructure requirements be APPROVED;**
- **The Overview and Scrutiny Committee be requested to review this proposal prior to referral to Council.**