

## GLOUCESTER SOUTH WEST BYPASS (GSWB) LLANTHONY ROAD IMPROVEMENTS

<b>Cabinet Date</b>	1 February 2017
<b>Fire, Planning and Infrastructure</b>	Cllr Nigel Moor
<b>Key Decision</b>	Yes
<b>Background Documents</b>	Adopted Local Transport Plan
<b>Location/Contact for inspection of Background Documents</b>	The LTP documents can be downloaded by clicking on the link below. <a href="http://www.gloucestershire.gov.uk/ltp3">http://www.gloucestershire.gov.uk/ltp3</a>
<b>Main Consultees</b>	<ul style="list-style-type: none"> <li>• Lead Cabinet Member</li> <li>• Officers from across Gloucestershire County Council</li> <li>• Local Member (Cllr Tracey)</li> <li>• Land owners in respect of land acquisition and businesses</li> </ul>
<b>Planned Dates</b>	<ul style="list-style-type: none"> <li>• Approval of Full Business Case for land purchase (seeking Gfirst LEP funding) – August 2017</li> <li>• Commencement of Compulsory Purchase Order (CPO) process and land acquisition negotiations with all affected parties – April 2017</li> <li>• Completion of CPO process and land acquisition negotiations with all affected parties – October 2019</li> <li>• Site preparation and demolition – November 2019</li> <li>• Main scheme start – 2020/21</li> <li>• Scheme complete and open to the public – 2021/22</li> </ul>
<b>Divisional Councillor</b>	Cllr Pam Tracey
<b>Officer</b>	<p>Simon Excell, Lead Commissioner; Strategic Infrastructure <a href="mailto:Simon.excell@gloucestershire.gov.uk">Simon.excell@gloucestershire.gov.uk</a></p> <p>Chris Riley, Project Manager; Major Schemes. Highways Commissioning <a href="mailto:Chris.riley@gloucestershire.gov.uk">Chris.riley@gloucestershire.gov.uk</a></p>

<p><b>Purpose of Report</b></p>	<p>To seek Cabinet approval:</p> <p>For the County Council to underwrite the risk of the County Council not receiving all of the committed Growth Deal funding scheduled for 2018/19 thereby allowing the land acquisition to be brought forward from 2018/19 to 2017/18.</p> <p>To proceed with the making of all orders required to proceed with the scheme.</p>
<p><b>Recommendations</b></p>	<p>That Cabinet::</p> <ul style="list-style-type: none"> <li>(1) Make provision to allow the County Council to underwrite the risk of the County Council not receiving all of the committed Growth Deal funding scheduled for 2018/19;</li> <li>(2) Commence land acquisition via Compulsory Purchase Order (CPO) in addition to negotiated settlement route allowing the land acquisition to commence in financial year 2017/18; and</li> <li>(3) Make any other ancillary orders that might be required to successfully implement the scheme.</li> </ul>
<p><b>Reasons for recommendations</b></p>	<p>The decision will enable the County Council to acquire the land required for the scheme within the Gfirst LEP funding period which will, in turn, enable the approved County Council funded widening scheme to be delivered.</p>
<p><b>Resource Implications</b></p>	<p>The scheme will be funded by two main streams:</p> <ul style="list-style-type: none"> <li>1) GFirst LEP - £2M Growth Deal funding to enable purchase of the land and associated costs, site clearance and demolition.</li> <li>2) GCC - £2.974M Capital funding to enable contract procurement and delivery of the road improvement scheme. (This includes £125K S106 contribution from the Hunt's Grove development).</li> </ul> <p>Therefore, the estimated cost of the complete scheme is £4.97M.</p> <p>The £2M land costs include land purchase, demolition of existing buildings and making good of adjacent buildings as well as costs associated with utility diversions, licences, permits and design works required for CPO purposes. These land costs are proposed to be funded by GFirst LEP Growth Deal funding.</p> <p>Given the GFirst LEP funding must be spent within the allocated funding period which ends in March 2021, there is a risk that the negotiations will not have concluded and therefore GCC will be liable for additional expenditure.</p>

	<p>It is therefore recommended that the scheme progresses as soon as possible with GCC under writing financial risk around the Growth Deal funding element. This risk would be funding from the Highways capital grant allocations.</p>
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## **MAIN REPORT CONTENTS**

### **1 Background**

The Llanthony section of the GSWB is the only section on the A430 GSWB which has yet to be improved. The road is single carriageway which creates a bottleneck between Llanthony Road and St Anne Way. The proposed scheme will see the widening of this section, optimisation and refurbishment of traffic signals to maximise traffic flows and improvements to the side road junctions to improve access for local residents and businesses. The scheme will also include improvements to pedestrian crossing facilities as well as the widening of pedestrian and cycle facilities to link with existing facilities at either end of the scheme.

The scheme is included in the County Council's adopted Local Transport Plan.

The scheme will involve the acquisition of third party land to enable the widening to take place. The land in question is currently in the ownership of various owners with the land take requiring the demolition of a number of commercial buildings which are currently in use. The land acquisition is proposed to be progressed via a negotiated settlement route in parallel to a compulsory purchase order (CPO) route. The purpose of this approach will be to allow the flexibility of a mutually agreed settlement package for the businesses/property owners, but with the assurance of the CPO route in the event that we are unable to resolve the acquisition via the negotiated route.

Please see Appendix A: Land Interest Plan for further information.

### **2 Resource Implications**

The scheme will be funded by two main streams:

1. GFirst LEP - £2M Growth Deal funding to enable purchase of the land and associated costs, site clearance and demolition.
2. GCC - £2.974M Capital funding to enable contract procurement and delivery of the road improvement scheme. (This includes £125K S106 contribution from the Hunt's Grove development).

Therefore, the estimated cost of the complete scheme is £4.97M.

The £2M land costs include land purchase, demolition of existing buildings and making good of adjacent buildings as well as costs associated with utility diversions, licences, permits and design works required for CPO purposes. These land costs are proposed to be funded by GFirst LEP Growth Deal funding.

Given the GFirst LEP funding must be spent within the allocated funding period which ends in March 2021, there is a risk that the negotiations will not have concluded and therefore GCC will be liable for additional expenditure. It is therefore recommended that the scheme progresses as soon as possible with GCC under writing financial risk around the Growth Deal funding element. This risk would be funding from the Highways capital grant allocations.

### 3 Funding breakdown

GCC funding breakdown:

Year	Funding allocation (Highways Capital)
Profiled spend to March 2017	£149,000
2017/18	£200,000
2018/19	£500,000
2019/20	£600,000
2020/21	£700,000
2021/22	£700,000
S106 Hunt's Grove	£125,000
Total	£2,974,000

The cost of the main scheme will be funded by the County Council from Highways capital programme grant allocation and Section 106 funding. However failure to either secure Growth Deal funding or failure to acquire the land purchase within the funding period (before March 31<sup>st</sup> 2021) is likely to delay the scheme.

### 4 Review of Current Budget Cost Estimate

Current budget estimates are based on preliminary designs (Atkins and Amey) and land cost estimates (GCC Asset Management Property Services).

### 5 Risk Assessment

An up to date risk register for the scheme exists and has been regularly updated in line with the GCC Risk Management process, in order to investigate, manage and mitigate key risks.

The key risks can be summarised as follows:

- 1) Land Acquisition – via negotiated settlement with landowners or CPO in the event that we are unable to agree terms with landowners. Land acquisition is vital for the scheme to progress;
- 2) Funding – the GFirst LEP funding must be spent within the allocated funding period which ends in March 2021. In the case of CPO, whilst the land ownership may be resolved when the Order is made, it is not uncommon for financial settlements to continue to be in dispute after that time. Payments for land which are outstanding after March 2021 will not be eligible to be paid for by the Growth Fund and will instead have to be funded by the County Council. This is one of the main drivers for requesting that this aspect of the scheme should be brought forward; and
- 3) Design/construction issues – in terms of timetable slippage, unforeseen delivery issues, and therefore associated scheme cost increases (which would fall to the County Council).

The risk register review undertaken has focused on the risks that are likely to affect the procurement process, these are determined as:

- Land acquisition; and
- Statutory utility diversions.

Overall, the risks are well understood and are being eliminated or mitigated as the project moves forward. There are, however, a number of risks open that could have an impact on the design and cost of the project. Securing the required land is the next critical step in managing the project's risk profile down. Risks will continue to be actively monitored and any significant changes affecting the scope of the project will be reported to the Lead Cabinet Member.

## **6 Options**

The options for Cabinet are as follows:

- Option A: To authorise the Commissioning Director: Communities and Infrastructure to progress the scheme as set out in this report's recommendations; or
- Option B: To decline this authorisation to the Commissioning Director: Communities and Infrastructure.

## **7 Officer Advice**

That Cabinet approve the recommendations as set out in this report.

## **8 Equalities Considerations**

This scheme is included in the County Council's adopted Local Transport Plan which includes analysis of data in regard to user needs. The detailed design of the final scheme will be undertaken in accordance with relevant guidance in relation to equalities and safety.

## **9 Consultation Feedback**

The Council has carried out an extensive consultation on the Local Transport Plan in which this scheme is listed. Consultation will be held with relevant land owners and businesses later this year and more broadly with the public (through public share events) in 2017.

## **10 Performance Management/Follow-up**

Scheme delivery will continue to be managed in accordance with business case objectives and the monthly meetings of the Local Transport Plan Management Board.

<b>Report Title</b>	Gloucester South West Bypass (GSWB) Llanthony Road Improvements
<b>Statutory Authority</b>	Highways Act 1980 Traffic Management Act 2004 Acquisition of Land Act 1981
<b>Relevant County Council policy</b>	Adopted Local Transport Plan
<b>Resource Implications</b>	<p>The scheme will be funded by two main streams:</p> <ol style="list-style-type: none"> <li>1. GFirst LEP - £2M Growth Deal funding to enable purchase of the land and associated costs, site clearance and demolition.</li> <li>2. GCC - £2.974M Capital funding to enable contract procurement and delivery of the road improvement scheme. (This includes £125K S106 contribution from the Hunt's Grove development).</li> </ol> <p>Therefore, the estimated cost of the complete scheme is £4.97M.</p> <p>The £2M land costs include land purchase, demolition of existing buildings and making good of adjacent buildings as well as costs associated with utility diversions, licences, permits and design works required for CPO purposes. These land costs are proposed to be funded by GFirst LEP Growth Deal funding.</p> <p>Given the GFirst LEP funding must be spent within the allocated funding period which ends in March 2021, there is a risk that the negotiations will not have concluded and therefore GCC will be liable for additional expenditure. It is therefore recommended that the scheme progresses as soon as possible with GCC under writing financial risk around the Growth Deal funding element. This risk would be funding from the Highways capital grant allocations.</p>
<b>Sustainability checklist:</b>	
<b>Partnerships</b>	Close working with affected landowners and businesses
<b>Decision Making and Involvement</b>	Asset Management Property Services, GCC Commercial Services, Legal Services, Finance, Audit/Risk
<b>Economy and Employment</b>	One of the aims of the scheme is to promote the economy of Gloucester and wider area by reducing congestion and improving journey times.

<b>Caring for people</b>	The scheme design will promote the safety of all users.
<b>Built Environment</b>	An Environmental Impact Assessment has been undertaken for the scheme.
<b>Natural Environment'</b> including Ecology (Biodiversity)	An Environmental Impact Assessment has been undertaken for the scheme.
Education and Information	Public share events regarding the scheme will take place in 2017.
<b>Tackling Climate Change</b>	Carbon Emissions Implications? Positive/ Neutral/ Negative Vulnerable to climate change? <del>Yes</del> / No/ Maybe
<b>Due Regard Statement</b>	Has a Due Regard Statement been completed? No No specific analysis has been carried out with regard to the protected characteristics. However, this scheme is included in the County Council's adopted Local Transport Plan which includes analysis of data in regard to user needs. The detailed design of the final scheme will be undertaken in accordance with relevant guidance in relation to equalities and safety.
<b>Human rights Implications</b>	N/A
<b>Consultation Arrangements</b>	The Council has carried out an extensive consultation on the Local Transport Plan in which this scheme is listed Consultation will be held with relevant land owners and businesses later this year and more broadly with the public (through public share events) in 2017

## Appendix A: Land Interest Plan