



**REPORT TITLE: M5 Junction 9 & A46 Progress Report**

<b>Cabinet Date</b>	24 March 2021
<b>Cabinet Member</b>	Cllr Nigel Moor, Cabinet Member for Environment and Planning
<b>Key Decision</b>	Yes
<b>Purpose of Report</b>	<p>To delegate authority to the Executive Director for Economy, Environment and Infrastructure to procure three areas of work which include professional services, legal advisors and estate management to work towards delivering the M5 Junction 9 and A46 (Ashchurch) Transport Scheme.</p> <p>To obtain approval to spend a further £5 million, at risk, on the Outline Business Case (OBC) for M5 Junction 9/A46 (Ashchurch) Transport Scheme in addition to the £3 million already approved by Cabinet on 17<sup>th</sup> June 2020. The OBC could unlock a potential funding package of up to £300 million for the County.</p>
<b>Recommendations</b>	<p>That Cabinet:</p> <ol style="list-style-type: none"><li>1. Agrees to allocate approximately £1,000,000 claimed as historical costs from the M5 Junction 10 Improvements Scheme, towards completing the Outline Business Case (OBC) for M5 Junction 9/A46 (Ashchurch) Transport Scheme.</li><li>2. Agrees the use of approximately £2,000,000 in 2021/2022 from the county council transport planning base budget for business case funding to be used specifically for the M5 Junction 9/A46 (Ashchurch) Transport Scheme.</li><li>3. Notes that a request will be made as part of the year end process to carry forward the underspend from the county council transport planning base budget for business case funding for the use of expenditure against the OBC for M5 Junction 9/A46 (Ashchurch) Transport Scheme.</li><li>4. Delegates authority to the Executive Director of Economy, Environment and Infrastructure to procure;<ul style="list-style-type: none"><li>• the work (OBC delivery) under our Professional Services contract and</li><li>• estate management services under the ESPO 2700 Estates Management Professional Services framework</li></ul></li><li>5. Delegates authority to the Executive Director of Economy, Environment and Infrastructure to commission legal advisors to support the scheme development under our EM lawshare agreement</li></ol>

<b>Reasons for recommendations</b>	<p>We wish to progress the Outline Business Case (OBC) on the M5 junction 9/A46 (Ashchurch) Transport Scheme with a view to seek funding from the Department for Transport's (DfT) Large Local Majors (LLM) Fund and possibly the "Levelling up" fund depending on the specific conditions required. The work on the OBC can be delivered through our existing contracts and the commissioned value is likely to be approximately £5 million.</p>
<b>Resource Implications</b>	<p>A sum of approximately £8 million is required in total for the development of the M5 Junction 9/A46 (Ashchurch) Transport Scheme OBC of which £3 million has already been approved via the 17<sup>th</sup> June 2020 Cabinet paper.</p> <p>Please refer to the exempt page for details of the funding subject to the recommendations above being approved.</p> <p>The development work will be determined by the available budget, and although no overspend will be incurred, the available budget will impact the speed of scheme development.</p> <p>Whilst projects of this scale necessarily rely on support from many of the Council's service departments, the scale of the development work will specifically include back filling positions in the GCC legal department, in order to support the delivery of the substantial legal aspects delivering a successful OBC in to the Department of Transport whilst ensuring continuity of service.</p>
<b>Background Documents</b>	<ul style="list-style-type: none"> <li>• Cabinet report 17 June 2020: M5 Junction 10 Improvements Scheme; revenue budget approval and Homes England contract conditions agreement</li> <li>• February council meeting 2020 – Medium Term Financial Strategy and the council Strategy</li> <li>• Department for Transport: Major Road Network and Large Local Majors programmes investment planning</li> <li>• Gloucestershire Local Transport Plan (2015 – 2031)</li> <li>• Gloucestershire County Council Local Development Guide</li> <li>• Gloucestershire County Council Manual for Gloucestershire Streets July 2020</li> </ul>
<b>Statutory Authority</b>	Highways Act 1980, Section 1(2)
<b>Divisional Councillor(s)</b>	Cllr Vernon Smith
<b>Officer</b>	<p>Name: Dr Dave Land  Tel. no: 01452 425828  Email: david.land@gloucestershire.gov.uk</p>
<b>Timeline</b>	<p>Cabinet approval, March 2021.</p> <p>Commission work for 2021-2022: March 2021</p> <p>Outline Business Case (OBC) completed (including non-statutory consultation) and submitted to Department for Transport: Spring 2022</p> <p>Development Consent Order (DCO) completed and submitted to</p>



## Background

1 The M5 Junction 9 and A46 (Ashchurch) Transport Scheme is a proposal to upgrade the M5 Junction 9 near Tewkesbury and re-route the section of the A46 which currently passes through Ashchurch to the east of the M5 (between M5 Junction 9 and Teddington Hands roundabout).

2 The A46 is one of the country's most important trade routes – the Trans Midlands Trade Corridor - operating at a national, regional and local level. It runs for 155 miles from ourselves here in Gloucestershire across to Lincolnshire. It is home to 5.5 million people and 2.9 million jobs, with an economic output of £115 billion – almost 10% of the entire English economy<sup>1</sup>. By 2041, the economic potential will have increased by 600,000 new residents, 150,000 new jobs and 250,000 new homes.

3 Key investments will be necessary to unlock this considerable economic potential, giving the lift up needed for the A46 to take on an even stronger role in national prosperity. Infrastructure investment will provide a strong opportunity to engage in the levelling up process across the nation. Making smart investment choices to deliver a viable, modern, fit for purpose, cross-country national trade route will deliver economic equality for areas outside London and the South East, and support the Government's levelling up agenda.

4 The A46 also provides a strategic link between the South West and the Midlands, offering an important alternative to the A42/M42 for traffic travelling between the M1 and the M5. However, the section of the A46 through Ashchurch is currently acting as a key constraint on the route, with drivers experiencing significant delays, which is causing congestion, air pollution, and substantial impacts on the economy; locally and regionally. Alongside ourselves, Midlands Connect - the sub-national transport body – are also calling for improvements to be made, in order to unlock economic benefits, lower congestion and remove heavy traffic from beleaguered communities.

5 The aim of the scheme is to improve north-south connectivity for long distance traffic and Heavy Goods Vehicles (HGVs) travelling between Gloucestershire, Wales and South-West to the West Midlands, East Midlands, Lincolnshire and up to Yorkshire and beyond. The A46 could, if it were better developed, provide direct access for business to the A1, M1 and M6 and is hence critical for supporting future economic growth through the corridor and in our region

6 The scheme will help solve long standing traffic issues at this key location on the A46 corridor, including improving journey times and reliability for journeys between the M5 Junction 9 and Teddington Hands roundabout, and addressing mainline queueing on the approaches to M5 Junction 9 at peak periods due to congestion, which is currently a safety concern due to rear end shunts, and connected personal injury concerns.

## Progress Update

7. The scheme is being developed with a view to supporting the delivery of future sustainable growth plans in Gloucestershire, such as the Tewkesbury Garden Town at Ashchurch (whilst not currently in the adopted Cheltenham, Gloucester and Tewkesbury Joint Core Strategy) a mixed-use development which will enable at least 10,000 homes to be delivered along with

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<sup>1</sup> <https://www.midlandsconnect.uk/key-projects/a46-corridor/>

120 hectares of employment land at Ashchurch by 2041 and beyond. This will require significant investment in infrastructure in the local area.

8. Whilst the Department for Transport's (DfT's) funding has been reduced to a single year - in line with much government funding following the November 2020 Comprehensive Spending Review, we are progressing with a view to seeking funding from DfT's Large Local Majors Fund (LLM). This has been encouraged by both Highways England and the DfT, who are keen to support the scheme.

9 The requirements of the Outline Business Case are set out below, and comes directly from the DfT's 'The Transport Business Cases', (January, 2013).

*An outline Business Case:*

- *is used continually to align the progress of the project towards achieving ministers' objectives;*
- *confirms the strategic fit and the case for change;*
- *sets out a detailed assessment of the options to find the preferred solution;*
- *refines the investment/intervention proposal; and*
- *provides details of the project's overall balance of benefits and costs against objectives*

10 Our consultants have submitted a substantial suite of documented evidence to Highways England to gain their approval for the scheme. This suite includes the Options Assessment Report, which details how the options for the route have been developed and the original 33 options narrowed down. Amongst other documents there are modelling and appraisal works, geotechnical reports, risk registers and preliminary environmental reports.

Some habitat surveys have been undertaken, with more to be undertaken next autumn/winter. Meanwhile materials for the non-statutory consultation have been developed and shared with relevant Cabinet Members and Officers. The consultation would have gone ahead in January except for a late request from DfT asking us to further engage with Highways England in respect of the options .

## **Options**

**11 To not delegate authority to the Executive Director and obtain funding approval.** This would result in the loss of a considerable investments already made c. £3million, consisting of all the work that has already taken place (i.e. Pre-Strategic Outline Business Case, Strategic Outline Business Case, and current work on the OBC). This is a substantial reputational risk to GCC, and to individual members, given the level of investment already undertaken. It is unlikely another suitable funding source of the magnitude required would become available in the future, and so GCC either cancel the work, or try another funding route to acquire the external funding to deliver the scheme. We are unlikely to acquire other external funding of this size.

**12 To delegate authority to the Executive Director and obtain funding approval to commission the work on the OBC.** This will allow the preparation of the OBC to continue, and ultimately for GCC to access the finance from the LLM Fund. Should LLM funding be secured and the M5 Junction 9/A46 (Ashchurch) Transport Scheme contract be in place, GCC

would then be in a position to draw down any monies expended against the M5 Junction 9/A46 (Ashchurch) Transport Scheme funding going forward.

## **Risks**

**13 Risk that COVID19 delays schemes.** We have not seen a delay in the project to date. Public consultations are being held online, with good response rates (e.g. M5 Junction 10 and Highways England's A417 Missing Link schemes). Site visits i.e. environmental and habitat assessments are being undertaken following strict COVID19 safe working guidance. All staff and consultants working on the scheme are doing so in a COVID19 safe way.

**14 Risk that the OBC is not delivered on time.** The purpose of the finance drawdown and delegation to the Executive Director is to enable the deadline for the OBC to be met.

**15 Risk that the investments already made in the region of £3million is not recoverable,** because the scheme does not proceed. Without taking the scheme forward for funding in the correct manner, then we will not be able to get into contract with DfT, and therefore will not be able to draw down against the historic costs, and hence replenish them.

**16 Risk that a second purdah and election period delay production of the OBC.** The project team have scenario-planned a variety of different possibilities, and as such are confident they are able to manage any interruptions to the timescale changes that a postponement of May 2021 local elections may present. Currently elections look as if they will continue as originally planned.

**17 Risk that there are not enough resources to deliver the work.** By delegating authority to the Executive Director to procure project delivery and legal support, this risk can be successfully managed.

## **Financial implications**

18 A sum of approximately £8 million is required in total for the development of the M5 Junction 9/A46 (Ashchurch) Transport Scheme OBC of which £3 million has already been approved via the 17th June 2020 Cabinet paper. Please refer to the exempt page for details of the funding subject to the recommendations above being approved.

The development work will be determined by the available budget, and although no overspend will be incurred, the available budget will impact the speed of scheme development.

## **Climate change implications**

20 The recently published, updated, Local Transport Plan 2021-2041 addresses the climate change agenda and adaptation, the digitisation of transport, all transport user needs, sustainable economic growth, and the delivery of a safe, efficient and sustainable transport system.

## **Equality implications**

21 Has an Equalities Impact Assessment (EIA) been completed? Yes / No

22 Cabinet members should read and consider the Equalities Impact Assessment in order to satisfy themselves as decision makers that due regard has been given.

23 Design: Accessible design should consider:

- The movement of people who are who are pregnant or travelling with prams and/or pushchairs,
- Accessing places of worship
- All pedestrians, but especially those such as female pedestrians and others with protected characteristics who may feel more vulnerable, particularly when dark, through appropriate lighting of footpaths
- Movement of people with disabilities
- Movement of older people

Construction: There is a potential challenge of the impact of construction traffic causing barriers for older people and children to access facilities, services and other destinations, who are the more vulnerable pedestrians.

Contractors responsible for the construction of the scheme should adhere to appropriate codes of conduct and ensure they have the correct mechanisms in place so there is no discrimination by age, disability, sex, race, gender, maternity/paternity, religion/belief, or sexual orientation of any workers.

24 Operation: Potential reduction in congestion levels and fostering positive outcomes for pedestrians - could benefit those living in the local area, including young and old, people with disabilities, resulting in better accessibility and less barriers to local movement.

### **Data Protection Impact Assessment (DPIA) implications**

25 The DPIA has been completed.

26 GCC is seeking to engage with landowners, stakeholders and the public to gather feedback on the proposed route options in 2021. Views and comments received during the consultation will be considered and summarised in a public consultation report.

27 Landowners contact details will be sought and utilised to seek permission to access land to carry out surveys.

28 The information given by survey respondents will be treated as confidential and in accordance with UK data protection legislation. Responses received as part of the consultation will be anonymised, stored and handled in accordance with Gloucestershire County Council's policy on General Data Protection Regulation (GDPR).

29 The information provided will be treated as confidential and in accordance with UK data protection legislation. Gloucestershire County Council is the data controller for all information collected from surveys related to the M5 Junction 9/A46 (Ashchurch) Transport Scheme. The lawful basis for processing this data is for the performance of task carried out in the public interest in line with the Highways Act 1980.

## **Social value implication**

30 Procuring locally as much as possible, means we can deliver added value; using local businesses and/or staff that are based in the area in order to deliver the M5 Junction 9/A46 (Ashchurch) Transport Scheme as a whole; ranging from the contractors delivering the OBC to construction firms actually building the scheme.

## **Consultation feedback**

31 A non-statutory consultation is a major contributing factor to the Outline Business Case. The consultation is due to launch in summer 2021; statutory consultation is due for launch in summer 2022, following the preferred route announcement.

## **Officer recommendations**

32 Officers recommend that authority is delegated to the Executive Director, and the supporting finance changes are implemented as set out in the recommendation section , to facilitate the completion of the OBC in a timely manner, in order to access the DfT's LLM's Fund and potentially the Levelling Up fund.

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

33 Progress is managed through weekly reporting from contractors working on the OBC.

34 Oversight is achieved through regular reporting via monthly SCIMB cabinet member meetings, and regular updates on the progress of the project will be given at Strategic Transport Board Member meetings.

35 An M5 Junction 9/A46 (Ashchurch) Transport Scheme governance process is being developed as part of the OBC

36 The steering group meetings every 6 weeks including representatives from Tewkesbury Borough Council and Highways England.

37 There are regular briefing rounds which consist of three different meetings, working from the same information. These are a) Cabinet members b) Tewkesbury Borough Council c) Highways England, Homes England, Department for Transport.