

**Divisions Affected – Didcot, Hendreds & Harwell, Sutton Courtenay
& Marcham, Berinsfield & Garsington**

CABINET

15 March 2022

**Didcot Garden Town Housing Infrastructure Fund (HIF1)
AMENDMENTS TO THE GRANT DETERMINATION AGREEMENT**

Report by Corporate Director Environment and Place

RECOMMENDATION

1. The Cabinet is RECOMMENDED to:

- a) Authorise the Corporate Director Environment and Place, in consultation with the Director of Law & Governance, Director of Finance, Cabinet Member for Travel and Development Strategy and Cabinet Member for Finance to enter into an amended Grant Determination Agreement (GDA) with Homes England.**
- b) Establish a Cabinet Advisory Group (CAG) or similar working group of cross-party members to oversee the detailed design and development of HIF1.**
- c) Authorise the development of a new Didcot area transport strategy and masterplan to meet the corporate priorities and agree to provide appropriate resources to support the development of the plan.**

Executive Summary

- 2. The Didcot Garden Town Housing Infrastructure Fund (HIF1) programme has been widely publicised and the details published in previous cabinet reports.**
- 3. The HIF1 programme has gone through a review period in the last 6 months. The programme review revealed there were pressures on budget and timescales to deliver the programme which would now fall outside the current GDA agreement with Homes England.**
- 4. After extensive negotiation, Government agreed to contribute further funding to the programme of £21.8m and extend the funding window to March 2026. The remaining funding pressure can be met by a £10m contribution from OxLEP and**

through an allowance in the Oxfordshire County Council budget agreed in February 2022.

5. The Grant determination agreement with Homes England needs to be amended to reflect these changes.
6. As a part of the future programme delivery assurance and detailed design development it is proposed a Cabinet Advisory Group is set up to ensure all aspects meet the new corporate priorities.
7. There is an acknowledgement that further measures are required for the transport and connectivity in Didcot area to become more sustainable and encourage more sustainable travel choices. This will require resources to be dedicated to the development of a Transport Strategy and Masterplan for the area.

Background

8. In October 2019, following a series of Cabinet approvals and a successful Housing Infrastructure Fund grant award of £218m, the HIF1 project was included in the County Council's capital programme. The original funding agreement, between the Council and Homes England, known as the Grant Determination Agreement (GDA), was entered into in June 2020.
9. The Didcot Garden Town Housing Infrastructure Fund project (hereon in referred to as HIF1) consists of four separate but interdependent highways schemes, as follows:
 - a. Element A - A4130 widening
 - b. Element B - Didcot Science Bridge
 - c. Element C – Didcot to Culham River Crossing
 - d. Element D - Clifton Hampden Bypass
10. Descriptions of each of the four elements are contained at Annex A.

Scheme Review

11. As is normal for schemes of this type and scale, at completion of the last stage of project development a review was undertaken looking at the forecast costs, delivery programme and risks.
12. The review outcomes were that the total budget envelope had increased by up to £61.7m and construction completion would not be until April 2026.
13. The reasons for these changes from the original budget set back in 2018 can be summarised as follows:
 - **Enhanced environmental mitigation** required to satisfy statutory and regulatory body requirements - impacts on land required, modelling and

design – need for a viaduct on approach to the River Thames being the single largest contributing factor at c.£23m standalone cost impact.

- **Change in regulations and guidance** e.g. introduction of Local Transport Note 1/20 relating to changes in design guidance for active travel provisions, environmental guidance and changes in National Planning Policy – requires additional land and design, enhanced flood mitigation and climate impacts leading to increased design time and costs.
- **Traffic and transport modelling parameters** driven by Department for Transport have changed, requiring further work and amendments to the scheme design.
- **Land cost and area increases** above the original business case – land prices increasing
- **Increased complexity of utility diversions**
- Increased design results in **increased construction time** required
- **Nationally increased** material costs, availability of materials and labour
- **Availability of construction sector resources** - availability of specialist staff and supply chain resources to design and build a scheme of this nature, competing with other large scale national infrastructure investments, and the lack of internal expertise
- **Landowner issues** - access issues and delays for surveys, requiring a civil warrant for entry.

Changes to the HIF Grant Determination Agreement

14. The challenges on timescale and budget were reported to Homes England and subsequently Department for Levelling up, Homes and Communities (DLUHC) and Her Majesty Treasury (HMT). Oxfordshire entered a negotiation with Government departments to secure further funding. On the 8th February 2022 Homes England confirmed an additional £21.8m towards the HIF1 infrastructure alongside the extension to the funding availability period to 31st March 2026. The funding breakdown can be found in paragraph 27.

15. As the programme and budget are now outside of the original Grant Determination Agreement with Homes England signed in June 2020, amendments to the agreement are required to deliver the infrastructure. The amendment to the agreement will focus on the following elements:

- An extension to the availability period to 31st March 2026
- An increase in funding to £239,816,437
- Change in milestones (see appendix C)
- A clause to de-risk the delivery timeframe for Oxfordshire County Council allowing for exceptional circumstances outside our direct control that could have an impact on the project timeline.
- Allow Oxfordshire County Council flexibility with the detailed design to deliver the infrastructure that will reduce the carbon impact of the schemes and reduce the need to travel by car, and support the many innovative businesses in the area. For example this could include measures such as tolling the bridge (subject to powers being granted by DfT), conversion of carriageway to bus lanes and the prioritisation of sustainable modes of travel.

- Preferential rates for borrowing the additional funding required to implement the scheme to reduce the burden on Oxfordshire County Council.

16. Officers are in ongoing negotiations on the specific wording for the revised GDA in line with the principles outlined in this report. On completion of the redraft, formal approval will be required in line with the delegations sought through this cabinet decision report.

Alternative 'Do nothing' Option

17. If Cabinet decides not to authorise the proposed revisions and delegated authorisation of the new GDA, there are substantial implications and risks. These are set out below:

- a. The Local Plans in South Oxfordshire and Vale of White Horse are based on the delivery of the HIF1 infrastructure. Without the infrastructure the local plans are no longer viable.
- b. South Oxfordshire District Council would no longer be able to demonstrate a 5-year land supply which would put the Local Planning Authority (LPA) at risk and there is the potential for legal challenge of Oxfordshire County Council for non-delivery.
- c. Significant Government supported projects such as UKAEA Fusion Technology at Culham would be stifled and potentially cause delays or even relocation of the investment out of the county.
- d. The lack of infrastructure may impact strategic development sites being planned for the area due to the severe impacts on communities and the environment from additional travel. These key development sites are (but not limited to):
 - NW Valley Park (VoWH Local Plan)
 - East of Oxford
 - Chalgrove (SODC Local Plan 2035 and Core Strategy)
- e. The existing local plan allocated sites which have been granted planning permission will not be adequately mitigated including North East Didcot and Didcot A leading to a high probability of challenge which will need to be defended.
- f. It is considered that this will directly lead to speculative development across two LPA areas and planning by appeal on a case-by-case basis.
- g. OCC will be open to significant risk of developer legal challenge as there is a pressure to release housing without sufficient infrastructure in place. With HIF1 in progress there was an easing on the viability of developments coming forward, but without it OCC may have to object to future planning applications.
- h. The sunk costs (currently around £11m) would be wasted.
- i. Non delivery of the scheme could have significant knock-on impact to the delivery of 11,711 homes across 12 separate sites in and around Didcot in South Oxfordshire and Vale of White Horse districts and the delivery of circa 4,200 affordable homes.
- j. Reduction or loss of control of the generation of s106 contributions to support further sustainable transport measures in the area.

- k. There will be impacts on the national significant areas for employment in the Oxfordshire Knowledge spine, supporting high value jobs contributing strongly to economic growth. The scheme directly supports Culham Science Centre and connections to Harwell Campus.
- l. There will be implications on the environment and support for the climate change agenda with less high-quality sustainable transport infrastructure in place and the loss of key active travel connectivity, which are provided directly by the project. The project also directly provides a minimum of 10% biodiversity net gain for the immediate area which would also be lost.
- m. Uncontrolled development in the area could increase traffic in such a way as to add to further congestion, pollution, noise and road safety issues.

Establish a Cabinet Advisory Group (CAG) (or similar working party)

- 18. As a part of the assurance for the delivery of the HIF1 infrastructure and to oversee the changes to the design to allow for more sustainable travel corridor, it is recommended that a Cabinet Advisory Group is established.
- 19. The CAG could be formed with cross-party members to oversee and steer the delivery. The terms of reference and membership of the advisory group will need to be established to enable external expertise to be co-opted to provide Cabinet with further expert advice.
- 20. The CAG will ensure that the development of the infrastructure aligns with the new and revised policies being developed by the Fair Deal Alliance for active travel, climate action and travel choices.

A new Didcot area transport strategy and masterplan

- 21. It is recognised that the HIF1 infrastructure alone will not maximise the connectivity and sustainability objectives. Further supporting enhancements have always been envisaged as a result of this programme, and it is proposed that the development of these is accelerated by creating a new Didcot area transport strategy and masterplan in conjunction with the local district councils. This will focus on creating active and sustainable travel options, reducing the need to travel, and using innovation and the opportunities to implement new transport technology.
- 22. This will be a basis to influence new developments in the area and ensure that mitigating measures and S106 and S278 funding received from development can be focused on these key priorities.
- 23. The masterplan and strategy will focus on:
 - Delivering high-quality connected walking and cycling infrastructure and using measures to encourage behavioural change to achieve the core principle of pedestrians and cyclists to be at the top of the road hierarchy.
 - Ensuring the area and all new developments are designed to be low car and prioritise active travel and public transport infrastructure. This will include plans to introduce traffic filters on existing roads, implement HGV routing away from local

roads, and measures to help existing communities benefit from better active travel infrastructure.

- A package of measures and holistic approach that achieves the shift required, as well as obligations on developers to provide high-quality interconnected and direct infrastructure. This would include measures such as contributions to public transport services, walking and cycling measures and infrastructure and Personalised Travel Planning (PTP), as well as monitoring outcomes. A summary of work being undertaken on such measures can be seen in Annex B.
24. To develop a robust sustainable strategy, the appropriate resources will need to be dedicated to the development of the plan.

Financial Implications

25. The risks associated with scheme delivery are underwritten by a **£52.251m** quantified risk and contingency fund, which is accounted for within the overall forecast budget.
26. Inflation is considered and calculated against the prevailing market indices and the revised delivery programme. This equates to **£26.653m** across the programme.
27. Therefore, the total scheme cost to completion is **£296.152m**
28. The proposed revised funding package is set out within Table 3.

Table 3 – Revised Funding Summary

Source	Value (£'000's)
Housing Infrastructure Fund grant	£ 218,020
Section 106 (held)	£ 6,736
Section 106 (underwritten by Council but expected to be received prior to project close)	£ 9,713
Additional capital contributions	
Housing Infrastructure Fund grant (additional)	£ 21,800
Oxfordshire Local Enterprise Partnership	£ 10,000*
Council capital borrowing (approved as part of budget 8 th February 2022)	£ 29,893
Total	£ 296,152

*secured against future business rates retention and forward funded by Council as part of approved capital programme

29. The current spend profile indicates that the total of the HIF grants would be drawn down in full first, with any additional financial contributions to the scheme backloaded to the latter stages of delivery. Therefore, spend on any additional contributions is anticipated to commence in 2025 onwards.
30. The additional resources required to be dedicated to the Transport Strategy and Masterplan work will need to be found from existing budgets or additional funding.

There will be an additional cost to accelerating this work which will be managed through the annual budget setting process.

Comments checked by:

Rob Finlayson, Finance Business Partner, rob.finlayson@oxfordshire.gov.uk

Legal Implications

Grant Determination Agreement

31. The key themes of the GDA are in respect of the delivery of the HIF infrastructure, new homes and their related milestones. The GDA provides Homes England with various rights in the event that the Council defaults under the agreement, including the right to terminate the agreement, suspend, clawback or reallocate the funding.
32. Clawback is however limited and excludes all amounts that have been properly validated and claimed. Since claims are submitted monthly in arrears, exposure to the risk of clawback is further limited.
33. To the extent that a material amendment to the Delivery Plan, the Expenditure Forecast, the Infrastructure Works or the Housing Outputs is required and being negotiated between the parties, Homes England may place a hold on payment of any future claims whilst the proposed change is assessed and if agreement is not reached within 3 months, Homes England may terminate the agreement, withhold any further payments or reallocate funding.
34. In the letter from Homes England set out in Annex C, Homes England reserve their rights under the GDA except as previously waived. They also have the right to claim their costs and expenses for dealing with the Deed of Variation from the Council.

Comments checked by:

Jayne Pringle, Principal Solicitor, jayne.pringle@oxfordshire.gov.uk

Equality & Inclusion Implications

35. The equalities implications of the HIF1 scheme have and will continue to be assessed robustly through the design development stages of the scheme. These equalities implications have been considered in line with the Equality Act 2010 and through the completion of an Equality Impact Assessment (EqIA).
36. This will be further considered as part of the forthcoming report relating to authority to make the statutory orders.

Sustainability Implications

37. Embodied emissions are a significant impact in all construction projects. The council wishes to create robust plans to reduce the 154,840 tCO₂e of GHG emissions which could be emitted during the construction phase without intervention. Approximately 83% of this impact associated with the construction materials^[2]. However, this can be reduced further, and the OCC design team are working towards reductions. The embedded carbon is a small percentage of the UK Carbon Budget and low compared to surrounding housing developments which produce over 60 tonnes of embedded CO₂ per dwelling (not including the onsite infrastructure).
38. A range of mitigations are set out within the Outline Environmental Management Plan and Outline Site Waste Management plans^[3] ranging from use of recycled and secondary materials through to energy efficient lighting and low carbon vehicles.
39. These measures will be further worked up through the development of the procurement strategy and the Construction Management Plan, including specific sustainability targets imposed on the design and build contractor, and through the focus of a working group and CAG as set out in Annex B.
40. As a part of the programme and finance review, HIF1 infrastructure has been assessed against the Fair Deal Alliance priorities. The review has identified key areas of focus to ensure the infrastructure construction and use is more sustainable. The key areas are:
- a. Increasing the Biodiversity Net Gain to above 10% by utilising all suitable spaces. Creating new habitats and enhancing existing where possible. Using planting to absorb carbon.
 - b. Reducing the embedded carbon by using recycled materials, working with local suppliers, using different construction methods.
 - c. Putting environment, climate and carbon reduction at the heart of commissioning the construction of the infrastructure. Working with the supply chain to reduce transport and bring innovation into the design and construction.
 - d. Developing a sustainable travel strategy to reduce private vehicle use and support sustainable freight option.

Risk Management

41. The key risks relating to the delivery of the programme are:

Unforeseen circumstances causing delays

42. To date the HIF1 programme has been impacted by unforeseen circumstances including the COVID pandemic and Brexit. Global issues may impact on delivery and construction with supply chains and materials being further impacted.

Therefore, it is essential that there is a mechanism for dealing with uncertainty and so the County Council is not financially impacted by circumstances outside of the Council's control.

43. It should, however, be noted that the delivery programme remains significantly challenging with some workstreams required to run in parallel, where possible, to meet the revised timeline. Only minimal time risk allowance is included and, therefore, it is important that the project continues to be delivered in line with those key milestones contained within Table 1.

Aligned Internal organisation

44. Aligning the internal resources of the Council is key to delivery. The support services of legal, finance, procurement, property and HR are all critical to the success of the programme. It is essential that these services have sufficient resource and a flexible, dynamic approach to be able to assist with delivery.

Staffing resources

45. Providing the appropriate, affordable skilled resources remain a risk to the programme. There is a national shortage of professionals to develop and deliver major infrastructure programmes. Due to the Government's investment strategy there is a large demand for resource and a small resourcing pool. The programme is made up of temporary staff which causes risk of resilience and continuity of knowledge and approach. This risk will be continually reviewed, and recruitment will be ongoing to ensure the programme is resourced and successful.

46. The risk register for the programme can be found in Annex D

Consultations

47. A series of public consultations have been undertaken throughout the previous development stages of the HIF1 project.
48. The consultations are summarised in the Statement of Community Involvement, now published in support of the planning application.
49. These formal events have been supplemented by significant engagement with District and Parish Councils, key user groups, statutory bodies and landowners affected by the scheme.
50. There is a clear understanding of the importance of continuing to develop a comprehensive communications and engagement plan, to be implemented throughout all subsequent stages of delivery, strengthening relationships with all stakeholders in the process.

Next Steps

51. The next stage of scheme delivery involves the procurement of design and build partner(s) who will then undertake the detailed design for the scheme before securing a tendered construction contract price.
52. If the decision to appoint a CAG to oversee this process is taken, then the CAG chair and members will need to be selected and the group formally constituted with appropriate terms of reference. It is envisaged that the CAG may also wish to draw on industry expertise to help them with their recommendations.
53. Throughout this next stage of detailed design development, officers will continue to work with the portfolio holders and CAG members to align the design of the scheme to the priorities of the Council. This will include how the scheme is made more environmentally sustainable, both during and after construction, and futureproofing measures to ensure that potential travel mode changes can be easily accommodated by adapting the built infrastructure, as and when the need arises. The work is at an early stage and will look at key themes of reducing carbon, increasing biodiversity, mitigations and operating the infrastructure and complimentary measures in line with sustainability priorities, innovation, further developing the strategy for the area and new developments (see Annex B).

Bill Cotton

Corporate Director for Environment and Place

Annexes:

Annex A – Scheme Descriptions

Annex B – Summary of work being undertaken to align to the Council

Annex C – Homes England

Annex D – High Level Programme Risk Register

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March 2022

ANNEX A

SCHEME DESCRIPTIONS

A1. Element A – A4130 Widening

Widening of 1.5km of A4130 east from the A34 Milton Interchange to create a dual carriageway from a single carriageway including:

- a new roundabout junction east of Backhill Lane Tunnel
- a revised signalised T-junction to access the proposed development site (known as Valley Park)
- two new roundabout junctions and link road from the A4130 west of the Great Western Park signalised junction (provided by others)

[Widening of the A4130 | Oxfordshire County Council](#)

A2. Element B – Didcot Science Bridge

A new road bridge over the A4130, the Great Western Railway Line, Milton Road and link road (circa 1.5km) including:

- a new road overbridge
- single carriageway development road in the former Didcot Power Station site with a number of side road junctions, including amendments to existing infrastructure
- a new priority T-junction north of Purchas Road roundabout connecting into the A4130
- revised alignment of the NCR5 route with improved pedestrian crossing link to Hawksworth and wider cycle network
- new pedestrian and cycle link within the field boundary adjacent to A4130 (Didcot Northern Perimeter Road)

[Didcot Science Bridge | Oxfordshire County Council](#)

A3. Element C – Didcot to Culham River Crossing

A single carriageway road between A4130 (Didcot Northern Perimeter Road) and A415 (Abingdon Road) (3.6km) including:

- a replacement four arm roundabout at A4130 (Didcot Northern Perimeter Road and Collett)
- a new road overbridge spanning the Hanson private railway siding at the Appleford Level Crossing
- a new priority T-junction on B4016 (Appleford Road) at Appleford
- a new shared-use pedestrian and cycle path between the T-junction and Appleford Railway Station
- a new three arm roundabout junction on B4016 (Appleford Road) from Sutton Courtenay
- a new road large scale overbridge and lead in viaduct spanning the restored quarry area and the River Thames
- a new four arm roundabout junction on the A415 (Abingdon Road)
- a new shared pedestrian and cycle path on southern side of the A415 (Abingdon Road)

[Didcot to Culham river crossing | Oxfordshire County Council](#)



Figure A1: Visual showing high quality active travel provision (typical artists impression)

A4. Element D – Clifton Hampden Bypass

A single carriageway bypass for Clifton Hampden, between Culham Science Centre and B4015 just north of Clifton Hampden Village (1.8km including link roads) including:

- a new four arm roundabout and access roads at the Culham No.1 employment site just west of Culham Science Centre
- new access junctions for the Fullamoor Farms agricultural buildings and residential and commercial properties to the south of the A415 and the Thames Water sewage treatment site
- a new priority T-junction on the B4106 (Oxford Road) just north of Clifton Hampden Village

[Clifton Hampden Bypass | Oxfordshire County Council](#)



Figure A2: Visual showing connectivity and crossing facilities (typical artists impression)

Annex B

Summary of work being undertaken to align to the Councils
Priorities

1. Officers are currently in the early stages of working to produce an action plan that further aligns the scheme to the Councils policies. This work has been scoped to follow various themes and is already underway. If the recommendation for a CAG is agreed, then a key aspect of their work will be to oversee the further development of the scheme alongside these key themes to make substantial changes to the scheme that provide positive benefits to the local area and enable HIF1 to be an innovative and exemplar project.
2. The detailed design and construction will be informed by these main themes.
3. **Reducing Carbon** – We will further reduce the carbon embedded within this scheme by using innovative construction techniques, low carbon materials and by replacing traditional construction methods with those that reduce carbon. Examples of this will include the use of living sound barriers rather than concrete and the use of locally sources or recycled and reused materials within the construction. The scheme will be designed and constructed in line with the principles of PAS2080. PAS2080 is the world's first standard for managing carbon in infrastructure projects; providing a framework to manage emissions in supply chain and ensuring measurement and transparency of emissions through all stages of a project.
4. **Biodiversity** - We will seek further gains in biodiversity and the benefits that people gain from nature by maximising opportunities to include green infrastructure and new habitats within the design.
5. **Operating the Infrastructure and complimentary measures in line with sustainability priorities** – We will explore innovative options for the short, medium and long term. These will potentially include smart mobility measures in villages and on the existing network and apply for the powers to make the river crossing a toll road. We will use the opportunity from delivering this route to convert much of the surrounding network from its existing state to one of quiet neighbourhoods with the appropriate weight limits and traffic filters to prevent through traffic and encourage modal shift.
6. **Innovation** – We are exploring further technological solutions in construction and operation including monitoring, sensors, autonomous and shared vehicles.
7. **Developing the strategy for the area** - Building on the existing Didcot garden town masterplan work we will work with the district councils to develop the strategy to demonstrate how the area will meet core principles that include sustainable movement and technology, including freight and logistics plans for the area.
8. **New developments** – Working with the District Councils and developers we will ensure that all new developments minimise the use of the car, ensuring that priority for sustainable modes of transport is baked in from the beginning including LTN's by design.

ANNEX D

HIGH LEVEL PROGRAMME RISK REGISTER

High Level Programme Risk Register

Risk Description		Current Quantitative Assessment				Mitigation Plans	Target Quantitative Assessment			
Risk No.	Risk Title	Probability	Cost	Time	Risk Rating	Description of proposals to mitigate the risk and actions.	Probability	Cost	Time	Risk Rating
1	Programme: Stakeholder opposition to the schemes forming the Programme.	4	3	3	12	1. Pro-active engagement, comms and consultation. Sound evidence base for submissions.	3	2	3	9
2	Construction programme imposes significant pressure on the network	4	4	1	16	1. Scope for design and build contract to include some requirements on traffic impact to pass the risk on to the contractor as they will be best placed to ensure phasing of works does not overload network. 2. Consider going with one contract rather than four to ensure approach to traffic management and network overload can be coordinated appropriately.	3	4	1	12
3	Late responses from statutory consultees	5	2	3	15	1. Work proactively with the Reg 3 team to chase responses from statutory consultees.	4	2	3	12
4	Delays to CPO process	4	5	4	20	1. Secure planning to fulfil the conditions 2. Engage Gateley Hamer to establish a range for expected land costs. Update land cost and monitor against budget 3. Ensure AECOM are involved in plot by plot reviews.	3	5	4	15
5	HIF1: statutory processes (Highways CPO) running in parallel with HIF2 and other major schemes	3	4	3	12	1. No treatment	3	4	3	12

High Level Programme Risk Register

Risk Description		Current Quantitative Assessment				Mitigation Plans	Target Quantitative Assessment			
Risk No.	Risk Title	Probability	Cost	Time	Risk Rating	Description of proposals to mitigate the risk and actions.	Probability	Cost	Time	Risk Rating
6	Programme: Market Capacity (Supplier and material availability).	3	5	1	15	1. Employ competent consultant to undertake financial monitoring of scheme Complete 2. Ensure contingency within budget makes allowance for anticipated inflation Complete 3. Undertake soft market testing to prepare the market for the upcoming scheme Ongoing	2	4	1	8
7	Pandemic (COVID) - further outbreak, lockdowns and restrictions.	3	4	4	12	1. Now that the likely risks are known, ensure the D&B contract requires the contractor to accommodate a suitable degree of flexibility to cover for ongoing staffing and distancing issues related to the pandemic	2	3	4	8
8	Design standards and Gov't guidance changes.	2	3	3	6	1. No treatment - horizon scanning to anticipate any likely changes.	2	3	3	6
9	Design change as a result of stakeholder objection.	3	3	3	9	1. Consultation has already been undertaken and planning has now been submitted. When objections are received, work quickly to review and mitigate with the Reg 3 team.	2	3	3	6
10	Interface between 4 schemes	4	4	3	16	1. Consider appointing a single contractor for all four schemes Action 2. Establish regular designer and contractor liaison meetings to discuss any issues that impact multiple schemes	2	3	3	6

High Level Programme Risk Register

Risk Description		Current Quantitative Assessment				Mitigation Plans	Target Quantitative Assessment			
Risk No.	Risk Title	Probability	Cost	Time	Risk Rating	Description of proposals to mitigate the risk and actions.	Probability	Cost	Time	Risk Rating
11	Detailed design results in significant change to planning consent or material quantities.	4	4	3	16	1. Undertake as much design work as possible prior to submission of planning application, including utility C4s Complete 2. Progress outstanding C4s in parallel with procurement process to minimise likely impact on scheme design 3. Ensure technical scope is as robust as possible for D&B tender and that the contract is set up so that the contractor seeks to minimise programme delays as well as cost. 4. Work closely with D&B design team to ensure the implications of any proposed design changes are clearly understood and agreed before progressing.	3	3	3	9
12	Unable to access land when needed	4	5	4	20	1. OCC to confirm go ahead to start negotiations and agree options on land Action 2. Fallback: CPO process running in parallel to mitigate escalating land costs and risk of being held to ransom.	3	4	4	12
13	Delays to D&B contract procurement	4	4	3	16	1. Soft market testing to generate interest 2. Finalise procurement strategy to agree route to market. Agree where the scheme is procured as 1,2,3 or 4 packages 3. Prepare suitable and balanced tender documents with support from the designer (AECOM) and OCC (legal, procurement and commercial teams)	2	3	3	6
14	Traffic modelling output challenged by Planning Authority or others	4	3	1	12	1. Liaise with AECOM to update the TA Scoping note. Process with OCC TDC for formal TA Scoping agreed.	2	2	1	4

High Level Programme Risk Register

Risk Description		Current Quantitative Assessment				Mitigation Plans	Target Quantitative Assessment			
Risk No.	Risk Title	Probability	Cost	Time	Risk Rating	Description of proposals to mitigate the risk and actions.	Probability	Cost	Time	Risk Rating
15	Future Residential units claiming blight	4	3	1	12	1. Ensure reserved matters application, via TDC officers, allow for enough green space to reduce impacts of blight on new properties. 2. OCC to liaise with specialist (TLT/GA) to again ensure minimal blight claims. - Quantify claims, check against budget	2	2	1	4
16	Reliance on Developers to delivery sections of the HIF1 Schemes	2	4	1	8	1. Seek Developers programmes milestones. Incorporate them with the Master Programme and establish a realistic delivery date. Coordinate with Developers to update regularly the Master Programme. Develop a contingency plan to address the event that developers don't meet our delivery plan.	2	3	1	6
17	Implications of de-scope/VE on planning	4	5	1	20	1. Cost/benefit analysis for each value engineering item	3	4	1	12
18	Misalignment of private development construction programme and HIF1 construction programmes	3	5	3	15	1. Construction programme of the private development to be included in the overall programme. Agree programme with private developers through s.106 agreement.	2	4	3	8

High Level Programme Risk Register

Risk Description		Current Quantitative Assessment				Mitigation Plans	Target Quantitative Assessment			
Risk No.	Risk Title	Probability	Cost	Time	Risk Rating	Description of proposals to mitigate the risk and actions.	Probability	Cost	Time	Risk Rating
19	Breach of Public Contract Regulations 2015	3	2	3	9	1. Seek Legal review of the current contracts with substantial Compensation Events to establish if there are any procurements risks. Depending on the outcome of the legal review , implement the proposed mitigations measures. 2. Ensure design and build contract scope is sufficiently broad to include all likely changes / additions to scope.	2	2	3	6
20	Resource resilience and capacity for HIF1 and HIF2	5	4	4	20	1. Fully resourced programme for HIF1 and HIF2 to forecast resources needs. 2. Develop a shared resources plan covering both HIF1 3. HIF2 to be review ed monthly to maintain efficient and timely delivery of both programmes. 4. Include a greater amount of activities within the contract to reduce the burden on OCC resources e.g. self certification.	4	4	4	16
21	Overall programme duration is based on detailed River Crossing programming exercise	2	4	3	8	1. Further work on utilities to be commenced in new year. Detailed review of programme will be undertaken during detailed design. Time restrictions will be placed on the scheme completion date within the tender documentation.	2	3	3	6
22	Changes and improvements to scheme scope	4	4	5	20	1. Liaison with Cabinet to ensure they are fully briefed on all the issues so that decisions can be made in light of all available information.	3	4	5	15

High Level Programme Risk Register

Risk Description		Current Quantitative Assessment				Mitigation Plans	Target Quantitative Assessment			
Risk No.	Risk Title	Probability	Cost	Time	Risk Rating	Description of proposals to mitigate the risk and actions.	Probability	Cost	Time	Risk Rating
23	Unforeseen circumstances cause delay	2	5	5	10	1. Ensure that there is a mechanism for dealing with uncertainty and so the County Council is not financially impacted by circumstances outside of the Council's control.	2	2	5	10

39/22 EXEMPT ITEM

(Agenda Item. 12)

It was agreed that there was no requirement to exclude the public as there was no request to discuss the information in the exempt Annex.

40/22 HIF1 - AMENDMENTS TO THE GRANT DETERMINATION AGREEMENT

(Agenda Item. 13)

Cabinet was asked to approve of the amendment to the grant determination agreement (GDA) with Homes England and the delegation to officers and to note:

- progress made and changes to the scheme programme; and
- requirement for CPO process to follow GDA changes.

Before considering the report, the Chair had agreed to a number of requests to speak:

Councillor David Ruane, Leader, South Oxfordshire District Council (SODC), stated that he mainly wanted to address paragraph 17 of the report, the 'Do Nothing' Option which he maintained was not really an option. He voted along with the rest of his cabinet to withdraw the Local Plan, knowing full well that this would mean the loss of the HIF funding and the end of this scheme. However, following the intervention of the Secretary of State, South Oxfordshire now had an adopted Local Plan which contained housing sites which were dependent on the delivery of HIF1.

In North East Didcot much of the site had already been built. According to traffic surveys 8,300 people already commuted from the Didcot area to Oxford for work. This road, and in particular the additional bridge over the Thames, was required to meet current need. Arguments will be made that these journeys should be made in a more environmentally friendly way, by bus for example, but even buses needed a clear road to run reliably.

Councillor Ruane added that no Local Plan could withstand the loss of over 8,000 homes from its delivery schedule. In order to maintain housing delivery rates, other sites would have to come forward, sites determined by developers rather than by the council. There were suggestions to 'pause and review' but the timescales on this project were such that to pause was to stop. The suggestion that one can pause and then go back to government with an alternative scheme which they will then finance was not realistic.

District Councillor Emily Smith, Leader, Vale of White Horse District Council, stated that she recognised the difficult situation the Cabinet found itself in with an inherited infrastructure scheme. However, the HIF scheme was deeply entwined with other plans and commitments, including her main concern, the Vale Local Plan and its ability to demonstrate a 5 Year Housing Land Supply.

The Vale corporate plan was focused on climate action, healthy communities and providing homes that local people can afford to rent and buy. It was already hard to achieve these things within the national planning system but without being able to demonstrate a housing land supply, the council would again have its hands tied behind its back.

Councillor Smith was aware that the County Council had successfully secured some flexibility from government on the timeframe for delivery, which will allow the opportunity to rethink the design of the HIF infrastructure to identify ways of reducing the carbon impact and look again at ways to make this infrastructure more accessible for public transport and active travel. She asked Cabinet to accept the officers' recommendations and to redesign the scheme to make it as sustainable as possible.

District Councillor Sam Casey-Rerhaye, SODC, stated that she wished to address this issue in light of the Council administration's principle: 'a resilient local democracy, where decisions are devolved to the lowest possible level and residents are meaningfully involved in the decisions that affect their lives'. With regard to the route options presented for the Thames bridge to A415, in early 2020 and a new single route option was presented for online consultation only during the first strict lockdown in 2020. A key consultee, the Europa school, did not know about it. It was incredible that such a change in a massive road project should have never had a live exhibition.

Councillor Casey-Rerhaye added that the changes in administration in local councils was a result of this out-of-date vision of car-based growth, centrally determined, and its impact on local communities, nature and climate. She asked Cabinet to pause and consult on alternative ways forward.

Katherine Foxhall, Chair of South & Vale Greens, gave examples where decisions had been reversed on road building in Wales, Herefordshire and Greenwich. Locally, the Expressway had been cancelled and the OxCam Arc was being backpedalled. Nationally and globally, the world had changed radically through COVID, ever bleaker warnings about the climate crisis and now the situation in Ukraine which had shown just how dangerous our fossil-fuel addiction was.

This decision might be relatively minor in the grand scheme of this process, but it all counted. At the very least, the HIF1 scheme for Didcot needed to be paused, reviewed and reconceptualised, so that it proudly represented the start of a new, hopeful era for Oxfordshire.

District Councillor Jo Robb, SODC's River Thames Champion, accepted the importance of connectivity for the current and future residents of Didcot but she had concerns about this project in its current form. She had been working hard to stop sewage discharge into the river by Thames Water but nationally one of the most serious sources of river pollution has been road runoff.

This scheme would increase traffic volumes and have a major impact on water quality in the river and on the flood plain. The proposed bridge will increase the impermeable area and impact an area of particularly high amenity. She asked Cabinet to ensure that whatever scheme goes ahead enhances the amenity of the river, its setting, ecology and water quality.

Antonia Jenkinson, representing the Board of Didcot First, which fully supported the entire package of four schemes, which need to be taken together to deliver the integrated travel routes from the A34 through to Culham and beyond. Culham was known in the international nuclear fusion community for its unique facilities, skills and scientific results. The Canadian company – General Fusion - had chosen Culham for their new fusion reactor and in October, the government published its UK fusion strategy reinforcing its commitment and investment into fusion in the UK and setting out the importance of the Culham site.

Future investment was predicated on the key infrastructure improvements which would be delivered by the Housing Infrastructure Fund. The HIF infrastructure underpinned their ability to operate, attract and retain staff and to develop the fusion cluster and ancillary employment that this will bring.

Robin Jones, resident of the area affected, stated that we already emit obscene amounts of greenhouse gas which was inextricably tying us in to a near-certain future of runaway climate chaos unless we change the way we live now, creating ways of living which respected the biological limits of the planet immediately.

We needed re-localisation – meeting our core needs for food, energy and materials locally – and regenerative development which reduces our reliance on scant resources and meets the needs of the present without compromising the ability of future generations to satisfy their needs. A late 20th Century concrete ‘behemoth’ to induce energy inefficient transport was insufficient to the task. He requested a pause and review in order to re-calibrate and re-prioritise.

Nigel Tipple, Chief Executive, Oxfordshire Local Enterprise Partnership (OxLEP), noted that this had been identified as a strategic transport corridor since 2012. It would provide a critical connection between communities and employment at existing and proposed sites. There were opportunities for alternatives to the car such as shuttle buses. Its focus was on connectivity whether by public transport, cycling, walking or vehicle movement.

The sites being connected provided opportunities for about 20,000 new jobs as well as significant national investment in the development of sustainable energy generation. OxLEP’s Board had allocated £14.4m to the Didcot Garden Town scheme and remained very supportive of this infrastructure project.

Greg O’Broin, Chair of Appleford Parish Council and the Neighbouring Parish Council Joint Committee which comprised 5 Parish Councils along the HIF1

route who all oppose it. The scheme was defective and should be withdrawn to allow the new Advisory Group sufficient time to assess alternatives and consult with local communities. He believed that the risks listed in Paragraph 17 of the report were simply scare tactics. His Committee did not believe the HIF1 road was necessary to deliver the needed housing required. The traffic analysis ignored "induced traffic", was based on outdated data and pre-Covid behaviours.

He advocated looking at better use of existing infrastructure and overseas examples for a modal shift to create a vibrant net-zero Oxfordshire with less traffic congestion and pollution. He also invited the Council Leader and the new Cabinet Advisory Group to come to Appleford and meet the Neighbouring Parish Councils.

Rita Atkinson, Sutton Courtenay Parish Councillor, stated that the HIF1 proposal as currently presented will undermine many policies and plans, in particular the Local Transport and Connectivity Plan, and will seriously impact the ability to ensure significant reduction in carbon emissions.

Her Parish Council first submitted a query on the inclusion of a junction between the new road and the B4016, located between Sutton Courtenay and Appleford, in July 2019 which had never been addressed. They were seeking more detail on assumptions, data and information, used in the traffic modelling, that will enable them to make a judgment whether the inclusion of a junction will improve, or worsen traffic flow through Sutton Courtenay. She asked Cabinet to keep in mind the huge impact this proposal will have on the wellbeing of the residents of Sutton Courtenay, Appleford and the wider area.

Councillor Charlie Hicks thanked Cabinet and officers for their incredibly hard work on this project and for the changes and recommendations in this paper - namely, commitments to a Cabinet Advisory Group and to an area-wide transport strategy approach.

He identified five remaining issues: the financial risk of up to £137m; the traffic modelling information on which the whole project was based was unreliable; road building did not solve the problems we want it to; the current road route even with a bus lane went against the administration's policies on climate and transport; and the Council was left wide open to legal challenge on the basis of the current Environment Statement and for not having done a sufficient optioneering process.

Councillor Hicks urged Cabinet to follow the example set by Wales and Herefordshire, to pause and review and re-assess the options.

Councillor Freddie van Mierlo, Chalgrove & Watlington, stated that he wanted to speak specifically to item 17, d. Nowhere was it stated that HIF1 was needed to deliver the Chalgrove airfield development. This administration should not support the construction of an east-west corridor, effectively linking the A34 to the M40 - either by design, as appeared to be referred to in this paper, or by accident.

HIF, if it must go ahead in its current form, needed to be deliberately designed for local use only, and not encourage rat running or drive traffic in an eastward direction across rural South Oxfordshire.

Councillor van Mierlo noted that Chalgrove airfield was home to a company that was facilitating the defence of NATO skies from Russian aggression. He asked officers and cabinet to question whether it was wise, at this time, to suggest we should be building homes, on an active airfield, rather than prioritizing strategic defence assets.

Councillor Richard Webber, Sutton Courtenay & Marcham, stated that he had been initially persuaded of the benefits of the HIF1 scheme but had become steadily more concerned that, even if the scheme as currently proposed were to deliver benefit, all such benefit would have been eroded within 5 to 10 years and that was before induced demand was taken into account.

He had come to the conclusion that it would be better to suffer further pressure in the short term by delaying for a short period while alternative solutions were properly considered - those more in line with current 21st century thinking and with this administration's stated ambitions.

Councillor Webber urged Cabinet to withdraw the application to prevent any further unnecessary and costly work by hard working and hard-pressed Parish Councils.

Councillor Robin Bennett, Berinsfield & Garsington, stated that he had initially been undecided on this scheme and then was persuaded by some of the arguments in favour. However, he was no longer convinced. The Council was going to have to borrow money to part-fund it and that meant funds coming off services for the most vulnerable people.

As a district councillor he had voted in favour of the Housing Infrastructure Fund but did not sign up to this specific type of infrastructure. He believed that Cabinet could open up negotiations on this. He said that he was tired of shepherding projects from the previous administration. He was elected to oppose this project.

Councillor Bennett added that the government had recently said that certain schemes could be reconsidered in the interests of decarbonisation, including if they no longer complied with local policies. Nobody was saying do nothing. He would like to see a report that included more alternative options.

Councillor Ian Middleton stated that this project was at odds with the Fair Deal Alliance aspirations. He asked if they wanted to be remembered for spending £300m on another road whilst saying they want to cut car journeys. He believed that the administration cannot continue to be carried along by the inertia of poor decision making of the previous administration.

The contingency was probably going to be spent due to cost overruns. Infrastructure projects always overrun and costs always spiral. This will essentially stymie other important projects that the administration might want to see happen on its watch.

Councillor Middleton added that the project will create more problems than it could ever fix. There was a need to unlock the housing in the south and so simply not providing the transport infrastructure is not an option but there were other options. Light Rail in particular, which provided the same travel infrastructure in a genuinely sustainable way.

Councillor Sally Povolotsky, Hendreds & Harwell, stated that she was in support of the officers' recommendations but with a word of caution. Firstly, travel patterns between men and women were vastly different, and this modelling needed to be taken into account as well as the Transport Assessments in a post-Covid world. However, modelling was just one part of design and people and place must come first. Her division had been plagued by vast over development. HIF1 had the capability of being an exemplar scheme for the country. She did not see this as a road, but more a pathway to unlocking what was needed locally.

Councillor Povolotsky welcomed the CAG and engagement with all the affected parishes. Rethinking the network, incentivising residents out of cars and into public or personal zero carbon transport was a key to the success of HIF1. This was a chance to provide a streamlined route that was not focused on cars by design.

The risks of HIF1 underspend and timeline creep would come from the reliance we have on agency staff and the fragility of that dependability. She hoped that the Major Infrastructure team would get the resources needed. She asked Cabinet to vote in favour of the recommendations and prioritise the CAG urgently and Parish / Resident engagement.

Councillor Duncan Enright, Cabinet Member for Travel & Development Strategy, thanked all the contributors to the debate and responded to a number of points made:

- Agreed that residents should be involved in the design of infrastructure
- Must find a way of improving this scheme to meet our priorities
- Designers were working on ways to ensure no run-off into waterways
- The high-tech firms in places such as Culham will be important partners in ensuring a modal shift in travel
- Providing more goods and services locally will be an important part of reducing fossil fuel use
- The CAG will be happy to receive the input of Parish Councils
- He was very aware of the financial risk in this scheme

- Infrastructure development must be public transport and active transport led
- This was a route for local use and will not form part of an east-west corridor
- There was no need to pause the project because they can do something better now
- This was not a case of bringing in a scheme from the previous administration – it will be completely rewritten
- Light rail was not an option in terms of finances, timescale or the powers of this Council.
- The existing infrastructure around Didcot was completely inadequate for today's demands and the coming developments
- Investment would be lost to the area if the infrastructure plans do not progress

He concluded by adding that it was up to the Council to make this an exemplar scheme providing for public transport and active travel and avoiding any induced traffic. He urged Cabinet to approve the scheme with the conditions included in the amended recommendations.

Councillor Pete Sudbury, Cabinet Member for Climate Change Delivery & Environment, stated that the primary problem was the "Growth Deal" and the related South Oxfordshire Local Plan brought in by previous administrations at district and county level. Failure to deliver some form of connectivity in the HIF-1 area may well cause an extreme collapse in Housing Land Supply. Wallingford, Wheatley and Watlington would then be in the sights of unscrupulous developers and greedy landowners.

He was disappointed in the report's narrow focus on a road with the potential for different lines to be painted on it. He thanked Councillors Enright and Miller for reworking and greatly strengthening the recommendations with the negotiating points around financial de-risking and freedom to amend the design to reduce car use.

Councillor Sudbury wanted Members and officers to ask "what would we do?", rapidly examining all of the options at high level. He also believed that the very significant criticisms of the environmental statement needed to be addressed. This transport corridor should be used to close down current through routes, holding total traffic capacity down and improving residents' lives whilst smoothing traffic flow.

Councillor Tim Bearder, Cabinet Member for Highway Management, stated that he was astonished at the number and scale of poor decisions the previous administration had made. He believed that this project was one of the worst of them. Not only did it fly in the face of our climate aspirations, it committed this council to building a £300m network of major roads at full risk to the council.

The new Local Transport and Connectivity Plan, which was currently out for consultation, had a target by 2030, four years after we cut the ribbon on this massive £300m road network, to replace or remove 1 out of every 4 current car trips in Oxfordshire. These were simply incompatible and unless that number could be operationalised before this scheme was given the go-ahead we should adopt the precautionary principle and start again.

The previous administration signed off on this scheme believing Government and local developers were going to pay for the whole thing. The contract was so poorly written that the Council was now liable for any cost overrun. It was already 26% over budget and that was before a spade had even hit the ground.

We have so far been told by Government that we will carry the full risk for any further overruns and that it had to be completed by 2026. If we overrun the costs rocket to something like £137m! The annual cost of borrowing just £29.9m outlined in this paper over 25 years was £1.8m each year. That was money that would have to be taken out of other critical services.

Councillor Bearder noted that the whole list of points in paragraph 17 only applied if you were suggesting doing nothing. He was suggesting doing something different - in line with National and OCC policies and also likely to be cheaper. He wanted a sustainable alternative to a £300m network of major roads. He supported the amended recommendation to go back to the Treasury and ask them to allow us to pause and rethink the project to create an alternative that helps them, us and the environment.

Councillor Calum Miller, Cabinet Member for Finance, emphasised that it was important to get agreement from Homes England that there was flexibility to take the time to re-design infrastructure to reduce carbon impact and car dependency in line with this administration's priorities and current government policy.

He highlighted the fact that the Council will be undertaking up to £30m of prudential borrowing to support costs of the scheme and the very tight timeline involved, noting that any overrun might leave the Council unable to take up the full £240m of funding from Homes England. In light of that, there was a crucial need to retain and recruit officers to ensure that the work was completed within the timeline.

The Chair thanked all contributors to the discussion. She cautioned about saying too much about any light rail option as this Council did not have the

authority to say that it wanted light rail. It was clear there was general agreement that nobody wanted a car-based scheme. The amendments to the recommendations would provide an opportunity to revise this scheme in line with the priorities of the new administration and they will seek to make the necessary changes. She stated that Cabinet would not sign this agreement unless there were assurances that the Council will not end up with a half-completed road and massive debt.

The Chair put the amended recommendations and they were agreed,

RESOLVED to

- a) **Authorise the Corporate Director Environment and Place, in consultation with the Director of Law & Governance, Director of Finance, Cabinet Member for Travel and Development Strategy and Cabinet Member for Finance to negotiate an amended Grant Determination Agreement (GDA) with Homes England. The amended GDA will need to include:**
 - **an extension to the availability period to 31st March 2026 and assurance that risks to the delivery timeframe caused by exceptional circumstances outside the Council's direct control will be mitigated**
 - **confirmation of an increase in funding to £239,816,437**
 - **confirmation that the Council has flexibility, subject to timescale and costs, to design and deliver infrastructure that will reduce the carbon impact and reduce the need to travel by car**
- b) **The draft of any amended GDA should be presented to Cabinet for consideration and potential approval.**
- c) **Establish a Cabinet Advisory Group (CAG) to oversee the detailed design and development of HIF1.**
- d) **Instruct officers immediately to commence the development of designs for the scheme consistent with this Council's strategic priorities.**
- e) **Authorise the development of a new Didcot area transport strategy and masterplan to meet the corporate priorities and agree to provide appropriate resources to support the development of the plan.**