

NORTH SOMERSET COUNCIL DECISION

DECISION OF: COUNCILLOR ELFAN AP REES. THE EXECUTIVE MEMBER FOR STRATEGIC PLANNING, HIGHWAYS, ECONOMIC DEVELOPMENT AND HOUSING.

WITH ADVICE FROM:

THE DIRECTOR OF DEVELOPMENT AND ENVIRONMENT AND
S151 OFFICER/HEAD OF FINANCE (ACTING).



DECISION NO: 18/19 DE 410

SUBJECT: Major Road Network (A38) – Outline Business Case

KEY DECISION: NO

BACKGROUND:

Major Road Network

In December 2017, the Government launched a consultation setting out proposals for the creation of a Major Road Network (MRN). The MRN will form a middle tier of the country's busiest and most economically important local authority 'A' roads, sitting between the national Strategic Road Network (SRN) and the rest of the local road network.

The MRN has five central objectives which build on the commitments made in the Transport Investment Strategy. Those objectives are to:

- **Reduce congestion** – alleviating local and regional congestion, reducing traffic jams and bottlenecks.
- **Support economic growth and rebalancing** - supporting the delivery of the Industrial Strategy, contributing to a positive economic impact that is felt across the regions.
- **Support housing delivery** - unlocking land for new housing developments.
- **Support all road users** - recognising the needs of all users, including cyclists, pedestrians and people with disabilities.
- **Support the Strategic Road Network** – complementing and supporting the existing SRN by creating a more resilient road network in England.

In December 2018 the government announced the National Roads Fund comprising £28.8 billion between 2020-2025, £3.5 billion of which is expected to be spent on local roads. This announcement was supplemented with a MRN bid process for which eligible schemes could bid for funding.

For schemes due to start construction in 2020/21 and 2021/22, an OBC needs to be submitted along with a Regional Evidence Base (REB) in July 2019. MRN guidance provides a checklist proforma for the OBC and states a requirement to support the proforma with a DfT transport appraisal guidance compliant OBC.

The MRN within North Somerset covers the A38, A370 and A4174.

The A38 (MRN)

The A38 in North Somerset provides the key route of access to the airport and is also an important economic link between Bristol and Somerset and the communities south of Bristol. It also forms part of the designated SRN alternative route to the M5 and therefore forms a key strategic function.

The increase in future passenger numbers at Bristol Airport, alongside the predicted housing growth in North Somerset, is likely to significantly worsen congestion and journey times along the A38 corridor to Bristol. Congestion and road safety onto the A38 corridor from the south are highlighted as cross-boundary issues of concern in the West of England Joint Local Transport Plan.

Improvements to the A38 as part of a new MRN would help:

- Reduce congestion
- Improve resilience of the corridor
- Support economic growth including growth at Bristol Airport
- Support housing delivery
- Support all road users; and
- Support the Strategic Road Network

The proposed A38 MRN proposes the following elements:

- A38/B3133 and Dundry Lane Improvements;
- A38/Downside Road Improvement;
- Widening of the A38 between the Airport Access and Silver Zone Roundabouts;
- A38 general carriageway improvements to Airport to Langford.

From work undertaken previously the schemes identified are expected to have a value of circa £20M.

These improvements will where appropriate develop and build-upon previous highway improvements where implemented but ensure the schemes are undertaken in a coherent, strategic manner to benefit to meet the strategic objectives of the MRN, to deal with existing resilience and reliability issues and provide capacity for growth.

Bristol South West Economic Link Study (BSWEL)

BSWEL is a transport study covering the A38/A368/A371 corridor between the M5 at Weston-super-Mare and the edge of Bristol. The study is jointly funded by North Somerset, Bristol Airport and Somerset County Council. The study will shortly be completed to Strategic Outline Business Case which defines the scope of the project/programme and its outputs and benefits and makes the case for change.

BSWEL includes a proposal for a new junction on the M5; bypasses of Banwell (subject of the recently submitted housing infrastructure bid), Sandford and Churchill, on-line improvements to the A38 (forming this OBC proposal) and a mass transit/dual carriageway corridor between the Airport and A4174.

In accordance with the DfT MRN investment guidance, and building upon the work already undertaken by the Council on the Joint Spatial Plan (JSP), Joint Transport Study (JTS, Joint Local Transport Plan (JLTP) and more specifically on the BSWEL study work it is proposed that the Council submit to the DfT MRN bid process an Outline Business Case (OBC) for the A38.

Next Steps

Upon the submission of the REB and proposals for MRN, the Department will assess the scheme proposals. This will inform ministerial decisions on whether the A38 MRN OBC is granted programme entry, which is currently expected to be by the Autumn 2019.

The bid submission will be subject to Council approval at its meeting on the 23 July 2019.

DECISION:

1. To approve commencement of Outline Business Case development work for the A38 MRN project.
2. To approve an increase to the revenue programme of £360k to be funded from Bristol Airport S106 XCH113 contributions at £100k and £260k from D&E Driving Growth Reserves towards the overall cost of the Outline Business Case development.

REASONS:

The National Roads Fund comprising £3.5 billion to be spent on local roads is a key opportunity to provide resilience and improvement to a key strategic route within North Somerset as part of the MRN process.

The improvements proposed will provide part of the step change in infrastructure provision along the A38 corridor identified as critical to underpin housing and economic growth.

In line with the Council's Financial Regulations this increase needs to be approved by the Director of Development and Environment and S151 Officer.

OPTIONS CONSIDERED:

Not developing the MRN proposal to Outline Business Case.

North Somerset has already undertaken extensive work relating to the Joint Spatial Plan (JSP), Joint Transport Study (JTS, Joint Local Transport Plan (JLTP) and more specifically on the currently draft BSWEL Strategic Outline Business Case.

All the noted plans and studies identify the need for fundamental and strategic infrastructure which will underpin and enable growth and development whilst addressing existing network resilience issues. The OBC development is the next stage in the lifecycle of scheme development and a DfT requirement for funding which will lead to programme entry and ultimately scheme delivery.

The MRN funding is a significant opportunity to deliver improvements on the A38 and without an OBC no scheme can progress beyond the studies currently completed.

FINANCIAL IMPLICATIONS:

Costs

Current estimate for co-development business case phase is £380k.

Funding

£100k S106 Bristol Airport XCH113 10mppa public transport infrastructure.

£260k Driving Growth

LEGAL POWERS AND IMPLICATIONS

The funding opportunity is available to Sub-National Transport Bodies, regional groups of local highway authorities and local highway authority scheme promoters.

The development of an Outline Business Case does not in of itself have legal implications.

Subsequent works inherent within the proposal if progressed will require exercise of functions (and use of applicable Acts as defined within CSO) of the Local Planning Authority and Local Highway Authority.

The submission of the Outline Business Case will be subject to Council approved in July 2019.

CONSULTATION

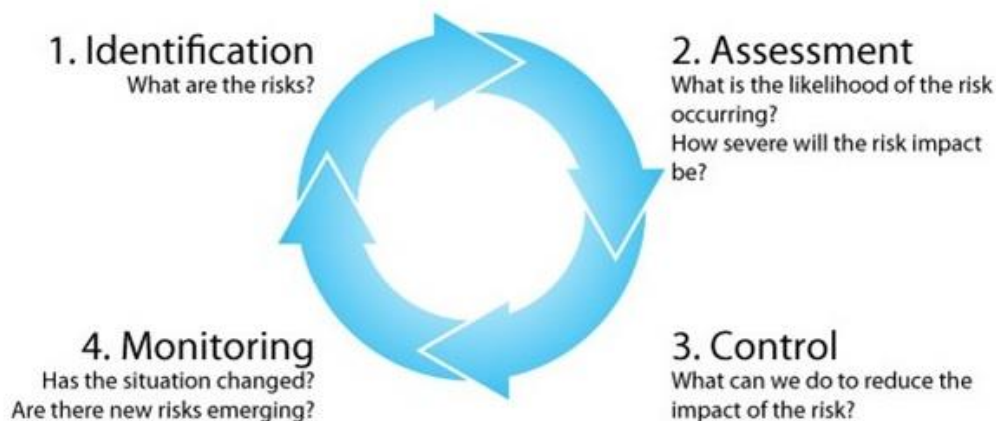
Communication regarding key the BSWEL project has formed an element of the recent Local Plan and JSP development proposals. Since then some Stakeholder Engagement has commenced in the form or presentations and meetings.

Further consultation will be detailed and undertaken during the OBC development phase and linked with the JSP Examination in Public engagement and North Somerset Local Plan.

RISK MANAGEMENT

There is financial risk that a significant amount of revenue funding is being assigned to this bid, with no guarantee that the funding is secured. It should be noted that this bid, however, has been assigned as the priority bid for the Western Gateway shadow Sub-National Transport Board and any work undertaken now will enable and feed into future bid opportunities as well as informing and de-risking wider transport workstreams including local transport plan work.

The four-stage approach to risk management will be adopted:



Effective risk management will help to successfully deliver programme and organisation objectives. The use of nationally recognised risk identification and management processes will be integrated into project delivery.

A Probability Impact Grid will be developed in line with risk appetite and overall requirements. This will then be used to score risks. Typically, a qualitative assessment of cost, time and reputation, both pre- and post-mitigation, would be included for each risk. The Probability Impact Grid will be used to generate a cost estimates for each risk. This cost risk information will be qualitatively modelled to advise the risk exposure. This analysis enables a structured and considered approach for developing a risk allowance to be allocated within the scheme cost estimate. Regular qualitative analysis throughout the project life cycle can also act as a powerful management tool to monitor project confidence that those budgets set will not be exceeded.

Risks will be prioritised by their relative impact / likelihood rating. This enables the Project Team to focus their mitigation activities on risks which have the potentially most significant impact on project success. Mitigation strategies may include avoidance, reduction, transfer and absorption.

According to the preferred mitigation strategy, SMART actions should be captured and implemented. Risk owners will be assigned to ensure risks are actively managed by those best placed to manage them and create accountability. High priority risks will be reviewed at monthly progress meetings.

EQUALITY IMPLICATIONS

Have you undertaken an Equality Impact Assessment? No

An initial screening exercise has been carried out to identify protected characteristics that the Equality Act 2010 requires us to consider, in relation to the highway proposals.

An EIA will be undertaken as part of the OBC.

CORPORATE IMPLICATIONS

The provision of key enabling infrastructure and educational facilities and the improvement of the transport network widely supports the Corporate Plan objectives in all areas of Prosperity and Opportunity, Health and Wellbeing and Quality Place.

BACKGROUND PAPERS

BSWEL Report to Executive 25 April 2017

<http://apps.n-somerset.gov.uk/cairo/docs/doc28048.pdf>

DfT MRN investment planning guidance

<https://www.gov.uk/government/publications/major-road-network-and-large-local-majors-programmes-investment-planning>.

SIGNATORIES:

DECISION MAKER(S):

Signed: Executive Member for Strategic Planning,
Highways, Economic Development and Housing

Date:

Signed: Assistant Director (Placemaking and Growth)
Development and Environment. In accordance with paragraph 1.5 of the Council's
constitution (May 2018), officer authorisations and delegations

Date:

Signed: S151/Head of Finance (acting)

Date: