

North Somerset Council

Report to the Executive

Date of Meeting: 21st October 2020

Subject of Report: M5 Junction 21 Northbound Merge scheme – transfer of funds to Highways England

Town or Parish: St Georges

Officer/Member presenting: The Executive Member for Planning, Building Control, Highways and Transport

Key Decision: Yes

Reason: Transfer of funds is in excess of £500,000

Recommendations

- That the Council enter a RIF agreement and draws down the £450,000 Revolving Infrastructure Fund contribution towards the scheme;
- That the Council enter a S274 agreement, whereby Highways England deliver the scheme on the Council's behalf;
- That the Council transfer funds to Highways England to enable the scheme to be implemented.

1. Summary of Report

The M5 Junction 21 Northbound Merge scheme increases the existing slip road, onto the motorway in the northbound direction (towards Clevedon), from its existing single traffic lane to twin lanes. The scheme is forecast to have strong congestion relief characteristics in the morning peak, reducing congestion on the A370 approaching the motorway from Weston-super-Mare.

Over the past five years the Council has been working with Highways England to develop the scheme and secure a funding package. The funding is now in place and Highways England are programmed to deliver the scheme in 2021.

This report sets out the detail of the funding package; describes the agreement by which Highways England will deliver the scheme on the Council's behalf; seeks authority to enter the funding agreement; and transfer the funds to Highways England.

2. Policy

Joint Local Transport Plan 4. The scheme directly supports the Vision & Objectives to 'support sustainable and inclusive economic growth; Improved efficiency and reliability on

the local, national and international transport networks; Delivery of new houses and jobs is supported'.¹

North Somerset Core Strategy. The scheme directly supports policy CS10, Transport & Movement; 'Travel management policies and development proposals that encourage an improved and integrated transport network and allows for a wide choice of modes of transport as a means of access to jobs, homes, services and facilities will be encouraged and supported'.² Specifically, the scheme is safeguarded in Sites & Policies Part 1, DM20, 'junction 21 capacity improvements – phase 2, Weston-super-Mare'.³

3. Details

The existing northbound slip road onto the M5 at Junction 21 is currently a single traffic lane wide. The scheme increases this to two lanes wide, increasing traffic capacity from Weston-super-Mare onto the motorway. This is forecasted to reduce congestion on the local highway network in the morning peak. Reduced congestion supports housing development at Weston Villages and job creation within the town. Reduced congestion supports bus services leaving the town (towards Bristol and Bristol Airport) in the morning peak, they will have more reliable journey times, making bus services more attractive. Reduced congestion on the approach to Junction 21 will reduce inappropriate car journeys on other routes – such as through Wick St Lawrence.

The scheme and its funding package have been developed over the last five years. Highways England anticipate delivering the scheme on the Council's behalf, in conjunction with a motorway maintenance scheme, in 2021. This coordination with a maintenance scheme offers significant cost savings to the Council.

Table 1; The total funding package;

Body	Source	Sum (£000's)	
NSC	S106	412	
	Revolving Infrastructure Fund	450	
	NSC Total	862	(23%)
Highways England	Growth & Housing Fund	2,250	
	Traffic Management	650	
	HE Total	2,900	(77%)
Scheme Total		3,762	

Section 106;

The Council is in receipt of S106 contributions from Weston Villages that are specifically designated for capacity improvements at J21. Of the £412,000 noted above, £112,000 has already been committed to design and preparatory costs. The remaining £300,000 will be transferred to Highways England. Confirmation these funds are available is captured in Director Decision note 19/20 DE325.

Revolving Infrastructure Fund;

The Revolving Infrastructure Fund (RIF) is managed by the West of England Combined Authority. It is effectively a loan secured against S106 receipts expected from developments at Weston Villages where planning consent has been granted but the trigger point for payment of the S106 has not yet been reached. The RIF will be reimbursed in due

¹ Joint Local Transport Plan 4 2020-2036; March 2020; Page 26; Section 3 Vision and Objectives; Support sustainable and inclusive economic growth.

²North Somerset Core Strategy; January 2017; CS10 Transport and Movement.

³ North Somerset Sites and Policies Plan Part 1; Development Management Policies; February 2015; DM20 Major Transport Schemes.

course when S106 receipts are received. The S106 contributions are anticipated to be received around 2027. It is worth noting that the scheme is forecast to help deliver houses at Weston Villages earlier than might otherwise be expected. Should the S106 contributions not be received the Council will need to take reasonable steps to repay the fund from other sources. This is discussed further under 'risk management'.

This report seeks authority to enter a RIF agreement with WECA and draw down the RIF funding. Authority to submit an application to the RIF fund is captured in Executive Member decision note 15/16 DE65 and confirmation that RIF funding was approved is captured in the Investment Board, LEP Board and Strategic Leaders Board, record of decision, March 2017.

Growth & Housing Fund;

This funding was secured by the Council and Highways England in October 2016. The funds originally sat with Highways England, however they were transferred to the Council in March 2020 under a Funding Agreement. Of the £2,250,000 noted above, Highways England had already incurred design and preparatory costs, these were deducted from the sum transferred to the Council in March 2020. The remaining sum to be transferred to Highways England is £1,880,000.00. Authority for the Council and Highways England to apply for Growth & Housing Funding is captured in Executive Member decision notice 15/16 DE65. Authority for the Council to enter the March 2020 Funding Agreement was approved by the (Interim) Director of Finance.

Traffic Management;

The Northbound Merge scheme will be delivered in coordination with a highway maintenance scheme on the motorway. The maintenance scheme will pick up all traffic management costs associated with maintenance scheme and Northbound Merge. These are works-in-kind and do not form part of the transfer of funds to Highways England.

Table 2; Funds to be transferred to Highways England;

Source	Sum (£000's)
S106 – Weston Villages	300
Revolving Infrastructure Fund	450
Growth & Housing Fund	1,880
Transfer Total	2,630

Officers of the Council and Highways England have prepared a S274 agreement. S274 agreements relate specifically to third parties (the Council) funding works on Highways England's network. The S274 confirms that Highways England will implement the Northbound Merge scheme for the sum of £2,630,000.00. This report seeks authority to enter the S274 agreement and transfer £2,630,000.00 to Highways England.

4. Consultation

Consultations on the scheme were undertaken with the Executive Member for Strategic Planning, Highways, Economic Development & Housing in May 2015.

The NSC Scrutiny Panel for Economic Development & Regeneration were consulted about this decision in June 2020.

5. Financial Implications

S106; £300,000.00

The S106 element relates to planning consents already approved at Weston Villages and where S106 contributions have already been received by the Council. These S106

contributions related to clauses where funding is provided specifically to mitigate the impacts of development upon Junction 21.

Revolving Infrastructure Fund; £450,000.00

This element is secured against planning consents at Weston Villages that have already been granted. However, the funding trigger points within the S106s have not yet been reached and the funding has not yet been received by the Council. The RIF funding will be reimbursed in due course when the S106 funding is received. Should the S106 funds not be received the Council will need to repay the fund from other sources. This is discussed further under 'risk management'.

Growth & Housing Fund; £1,880,000.00

This funding was transferred from Highways England to the Council in March 2020.

6. Legal Powers and Implications

In progressing the scheme and employing Highways England to implement the scheme on its behalf, the Council is acting under its powers as Local Highway Authority (Highways Act 1980).

The scheme will be implemented, operated & maintained by Highways England under its powers as Highway Authority (Highways Act 1980).

7. Climate Change and Environmental Implications

Bus services towards Bristol, school coaches and the A2 Airport Flyer leaving Weston-super-Mare in the morning are often caught in congestion on the approaches to Junction 21. Congestion relief will improve journey times and journey time reliability, making bus travel a more attractive proposition.

Monitoring of traffic flows on routes that avoid junction 21 in the morning, such as through Wick St Lawrence, has shown that as congestion increases at J21 so does the number of drivers who choose to bypass J21. Reduced congestion at J21 is expected to reduce traffic flows through Wick St Lawrence with the associated betterment in quality of life for residents.

Congestion can act as a disincentive to car travel and this scheme may release suppressed demand.

8. Risk Management

Risks;

As the scheme has been developed and understood so have the scheme's costs. These costs have been used to secure the funding package. There does, however, remain a risk that the scheme costs are greater than the funding package. The S274 agreement is structured such that Highways England will deliver the scheme for a fixed fee – Highways England carry the risk of cost increases.

Whilst this report seeks authority to enter the S274 agreement, the agreement will not be signed, or the funds transferred, until Highways England have provided in writing a construction start date and works programme - to confirm that the scheme will be delivered.

The RIF funding is secured against S106 contributions expected to be received around 2027. If planning regulation changes (such as the reforms currently being consulted upon through the Planning White Paper) or Developer's successfully argue that developments are not viable, there is a risk that the S106 contributions, or part, are not received by the

Council. In which case Council will need to take reasonable steps to repay the fund by considering other funding sources such as the Community Infrastructure Leavy or the JLTP Integrated Transport Works Programme.

Opportunities;

Throughout the scheme's development it has been envisaged that the Northbound Merge scheme would be delivered in coordination with a maintenance scheme on the motorway. This maintenance scheme relates to where the motorway passes over the Bristol to Exeter railway – a bridge maintenance scheme. The maintenance scheme itself has been several years in development and includes overnight railway closures. The maintenance scheme is now programmed to commence in February 2021. The maintenance scheme requires motorway lane closures with associated traffic management. It is these lane closures and traffic management that provide the opportunities to deliver the Northbound Merge scheme with notable cost savings of £650,000.

9. Equality Implications

Have you undertaken an Equality Impact Assessment? Yes / ~~No~~

The scheme was subject to an Equalities Impact Assessment within its formulation in 2015. However, this assessment is being reviewed and updated.

10. Corporate Implications

The scheme supports the Corporate Plan 2020-24, notably around a transport network which promotes active, accessible and low carbon travel and an attractive and vibrant place for business investment and sustainable growth.

11. Options Considered

The Council could choose not to implement the scheme and return the Growth & Housing funding to Highways England. Congestion on this part of the highway network in the morning peak is well known. At best this congestion is a source of daily frustration for many residents & businesses and at worst it stifles business and residential growth in the town and the J21 Enterprise Area. The scheme is forecast to offer good congestion relief, assisting productivity and local business, making Weston-super-Mare a more attractive place to live and work.

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Appendices

None

Background Papers

Executive Member Decision Notice 15/16 DE 65

<https://www.n-somerset.gov.uk/wp-content/uploads/2015/12/15-16-DE-65.pdf>

Investment Board, LEP Board and Strategic Leaders Board, Decision Notice, March 2017
Available upon request

Executive Member Decision Notice 18/19 DE 382

<https://www.n-somerset.gov.uk/wp-content/uploads/2019/05/EM-DEC-1819-DE-382.pdf>

Director Decision Notice 19/20 DE325

Available upon request

Ends.