

Central Bedfordshire Council

Executive

Tuesday 2 August 2016

A421 Dualling Project - Memorandum of Understanding and Compulsory Purchase Order

Joint Report of Cllr Brian Spurr, Executive Member for Community Services (brian.spurr@centralbedfordshire.gov.uk), and Cllr Nigel Young (Executive Member for Regeneration (nigel.young@centralbedfordshire.gov.uk))

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This report relates to a Key Issue

Purpose of this report

1. The dualling of the section of the A421 between the new Eagle Farm Roundabout and M1/J13 will complete the upgrading of the A421 between Bedford and Milton Keynes. This report seeks the relevant authorisations from the Executive to move forward to the next stage of the project.

RECOMMENDATIONS

The Executive is asked to:

- 1. delegate to the Director of Community Services, in consultation with the Executive Members for Community Services and Regeneration, to negotiate the terms of the Memorandum of Understanding between Central Bedfordshire Council (CBC), Milton Keynes Council (MKC) and South East Midlands Local Enterprise Partnership (SEMLEP) that sets out how the parties will work together to deliver the A421 dualling scheme and adopt once all parties are in agreement;
- 2. agree that council officers continue preparatory work for the acquisition of the land required for the scheme, including compulsory purchase if that proves necessary. If a Compulsory Purchase Order (CPO) is required, this will be reported to Full Council at a later date;
- 3. recommend to Full Council that £3m be added to the Capital Programme for this scheme; and

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| <p>4. instruct Officers as part of MTFP process to identify options to reduce the Capital Programme by £3m such that the addition of this project does not increase the overall net capital spend of the Council.</p> |
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Overview and Scrutiny Comments/Recommendations

2. This paper has not been submitted to overview and scrutiny Committee.

Background

3. The A421 project will dual a section of the A421 (between the new Eagle Farm Roundabout and M1/J13) which traverses the administrative boundary between Central Bedfordshire Council and Milton Keynes Council. The scheme will complete the upgrading of the A421 between Bedford and Milton Keynes, thereby improving strategic linkages between Central Bedfordshire and Milton Keynes.
4. The Department for Transport (DfT) allocated the A421 scheme £22.5m from the Local Growth Fund administered by South East Midlands Local Enterprise Partnership (SEMLEP). A further £1m was awarded by the Local Transport Board to support the development of the scheme.
5. The DfT have now re-designated the scheme as a 'Portfolio Scheme' initiative, overseen by DfT under the 'Large Transport Project Portfolio'. This means that a full business case must be signed off by the DfT in order to release the £22.5m funding.
6. The DfT require a number of elements to be completed before the final business case can be submitted including: planning permissions secured for the structures, all land transfer agreements to be in place and the Memorandum of Understanding (MOU) setting out funding contributions to be agreed. This report seeks authorisation to adopt the MOU and begin a CPO process if necessary.

Scheme Benefits

7. The A421 scheme will provide much-needed extra traffic capacity, journey reliability and safety; ease the access at planned developments; and complete the overall A421 dual carriageway route standard across the sub-region; so as to enable better highway connectivity between Milton Keynes, M1, Bedford and A1.
8. The scheme will also help to strengthen the positive outcomes of wider initiatives, which aim to improve economic and community prosperity across the South East Midlands, by providing greater resilience, durability and congestion relief on the strategic transport network.

Funding

9. The initial cost of the scheme was estimated at £23.5m. However, this estimate was prepared before the outline design had been completed and did not include significant elements such as the necessary structures. Following the development of the outline design the scheme estimate was reviewed by both Amey and AECOM and is now £29.14m.
10. Current funding contributions identified for the scheme are £1m from the Local Transport Board that was awarded to support the development of the scheme design and £22.5m from DfT, leaving a shortfall of £5.64m.
11. The Memorandum of Understanding (MoU) proposes that Central Bedfordshire Council and Milton Keynes Council meet costs above £23.5m up to a total of £29.5m or a contribution of £3m each based on a 50/50 split.
12. The Executive is asked to delegate authority to the Director of Community Services, in consultation with the Executive Members for Community Services and Regeneration, to adopt the MoU (Appendix A).

Land

13. Negotiations are ongoing with the landowners within Central Bedfordshire. It is hoped that the land will be secured through negotiation. However, due to the project timescales it may prove necessary to secure the land by compulsory purchase.
14. The Executive is asked to make a resolution to start the process to pursue compulsory powers to secure the land required to dual the A421. This route will run in parallel to current ongoing negotiations and will only be fulfilled if the land is not secured through negotiation. Should a CPO be required a further report will be submitted to the Executive for approval.
15. The approximate costs associated with compulsory purchase process ranges from £30k to £100k (if a public enquiry is required), these costs will be met from the project budget 2016/17. DfT have authorised the release of a £1m front funding from their contribution to enable CBC to move the project on, including the cost of any CPO required and to ensure the project remains within the current total scheme cost.
16. In the event that the compulsory purchase process is required, then the timescale will range between 6 and 12 months, which may have a significant risk on the overall programme for this project.

Reason/s for decision

17. This decision is required to authorise the project to move to the next stage

Council Priorities

18. The A421 scheme supports the Council's priorities to enhance Central Bedfordshire and provide great resident services by delivering improved infrastructure that will open opportunities to employment, leisure activities and housing.

Corporate Implications

Legal Implications

19. The MoU sets out how the local authorities will work together to deliver the project, however, the document is not a legally binding contract. Once the MoU has been agreed a separate formal Funding Agreement will be created to set out the details of the funding contributions including payment plans and duties and obligations.

Financial and Risk Implications

20. The degradation of the road is such that if the MoU is not agreed and the A421 dualling scheme does not go ahead the costs associated with the required works to reconstruct the existing carriageway are estimated at £5.85m. Therefore, by investing up to a maximum of £3m in the dualling scheme the Council will save £2.85m and gain improved infrastructure.

Equalities Implications

21. Central Bedfordshire Council has a statutory duty to promote equality of opportunity, eliminate unlawful discrimination, harassment and victimisation and foster good relations in respect of nine protected characteristics; age disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation
22. An Equalities Impact Assessment (EIA) will be produced as part of the project. This will focus on the general requirements of people with disabilities ensuring that these are taken into account within government guidance and design standards appropriate to the A421 Dualling project. The specific needs of different groups of local people will be sought through public consultation.
23. Publicity and information associated with the project will be offered and available in alternative formats and languages, statements to this effect will be included on any literature or correspondence. Additionally, publicity and information will be clear, concise and in simple language.

Conclusion and next Steps

24. Following the adoption of the MoU and authorisation to pursue a Compulsory Purchase Order (CPO), a funding Agreement will be prepared and CPO proceedings will begin. Once the necessary land orders and funding agreement are in place the final business case will be submitted to the Department for Transport (DfT).
25. A request for the early release of £1m of the £22.5m has been made to the DfT. If this request is granted the detailed scheme design will be completed and a contractor will be procured. If this funding is not released the Council will procure a 'design and build' contract for the scheme.
26. Scheme construction will begin following DfT approval of the business case and the release of the scheme funding. Scheme construction is estimated to take 18 months.

Appendices

Appendix A: Memorandum of Understanding