

## **MID DEVON DISTRICT COUNCIL**

**MINUTES** of a **MEETING** of the **CABINET** held on 23 May 2018 at 10.00 am

### **Present**

**Councillors** C J Eginton (Leader)  
R J Chesterton, P H D Hare-Scott,  
C R Slade, Mrs M E Squires and  
R L Stanley

### **Also Present**

**Councillor(s)** Mrs E M Andrews, Mrs A R Berry, F J Rosamond and  
Mrs N Woollatt

### **Also Present**

**Officer(s):** Andrew Jarrett (Director of Finance, Assets and Resources), Jill May (Director of Corporate Affairs and Business Transformation), Andrew Pritchard (Director of Operations), Kathryn Tebbey (Group Manager for Legal Services and Monitoring Officer), Jenny Clifford (Head of Planning, Economy and Regeneration), Adrian Welsh (Group Manager for Growth, Economy and Delivery) and Sally Gabriel (Member Services Manager)

### **Also in**

**Attendance:** Ian Sorenson (Devon County Council, Highway Authority)

## **12. APOLOGIES**

There were no apologies.

## **13. DECLARATIONS OF INTEREST UNDER THE CODE OF CONDUCT**

Members were reminded of the need to declare any interests when appropriate.

## **14. PUBLIC QUESTION TIME (00- 01-17)**

Mr Warren referring to item 5 on the agenda (Housing Infrastructure Fund) stated that in September 2017 a bid was made to the fund in relation to two projects in Mid Devon. On 1 February 2018 a press release from MDDC stated "Today the Council learned it was successful with its bids for both Tiverton and Cullompton, unlocking growth potential for both towns. Cullompton will receive £10 million to undertake short term improvements to Junction 28". It goes on to describe those works. Comments are also included which are attributed to Councillors Chesterton and Eginton. Councillor Eginton is quoted as saying "this shows not only the quality of our own bids, but with success being repeated across the greater area".

The report before you today, under risk assessment, contains the words “lead us now to believe that the scheme as initially submitted under the HIF MV fund is not deliverable and will not achieve the desired outcomes”.

At paragraphs 4.1.1 it states “It is therefore concluded by the highway authorities that the scheme of works at the junction as submitted under the HIF scheme is both undeliverable and would not represent value for money.

How can the Leader substantiate his quote that the original bid was one of quality?

Having read the report before you and the requirement of due diligence and further assessments needed, was it not premature to advise members of the public that the original bid was successful?

The latest press release dated 15 May 2018 concludes with the words “The Council learned it was successful in principle with both its bids in February, subject to further stages of evaluation by Homes England prior to a final decision in summer/autumn 2018”.

Now that we have the words ‘in principle’ included was the press release in February misleading the public as it now appears the funding was not definite as more work and discussions were needed?

Is the statement by Councillor Chesterton in that May 2018 press release predetermining the outcome of your discussions and decision today?

Catherine Penharris again referring to item 5 on the agenda (Housing Infrastructure Fund) stated that in your report and in particular the risk assessment, I cannot see anything about earmarking the land, if the land (you are proposing to use for the relief road) is not available for the relief road what are you proposing to do? You state that discussions are well advanced, what are the options and what other options do you have?

The Chairman indicated that answers would be provided when the item was discussed.

#### **15. MINUTES OF THE PREVIOUS MEETING (00-06-07)**

The minutes of the previous meeting were approved as a correct record and signed by the Chairman.

#### **16. HOUSING INFRASTRUCTURE FUND (00-07-08)**

The Cabinet had before it a report\* of the Head of Planning, Economy and Regeneration updating Members on the latest position with regard to the Housing Infrastructure Fund (HIF) bid for Cullompton and to seek approval to pursue opportunities to use the Government investment on an amended transport intervention to bring forward housing development and address congestion and air quality problems in the Cullompton area and seek approval to fund related work.

The Cabinet Member for Planning and Economic Regeneration initially asked the Monitoring officer if she felt that he was predetermining the outcome of the

discussions and the decision that would be made today. The Monitoring Officer advised that as long as the Member was satisfied that he was willing to listen to the discussion then predetermination was unlikely. He therefore outlined the contents of the report stating that in July 2017 the Government launched its £2.3 billion Housing Infrastructure Fund to finance infrastructure to unlock housing delivery.

The Marginal Viability part of the fund would be used to provide the final, or missing, piece of infrastructure funding in order to get existing sites unblocked quickly or new sites allocated. The Government expected the infrastructure to be built soon after schemes had been awarded funding and for the homes to follow at pace.

Bids to the fund were assessed against three criteria:

- Value for money
- Strategic approach to delivering housing growth
- That the scheme and homes could be delivered.

Mid Devon District Council submitted marginal viability bids in relation to two schemes for highways infrastructure which would unlock development sites identified within both the adopted Local Plan and the emerging Local Plan Review:

1. J28 M5 Cullompton - A £10m scheme for improvements at the junction itself to increase its capacity through the creation of an additional lane on the bridges, new footbridges and full signalisation.
2. A361 junction east of Tiverton – A £8.2m scheme for phase 2 covering the bridge across the A361, the north side slip roads and associated landscaping.

The Government had announced the success of both schemes in early 2018. This was subject to a process of further assessment and due diligence by Homes England which was still ongoing. Assessment was currently focussed on value for money (cost/benefit) and delivery. A final decision over whether the funding would be awarded was expected within the next few months.

Since the original bid submission, further transport analysis and further discussions had taken place with Devon County Council officers and Highways England over the proposed scheme for Cullompton. This has resulted in advice that:

1. The scheme at the junction would not achieve the benefits to traffic flows and junction operation initially expected.
2. The highway authorities had expressed strong concern over the ability for the scheme as submitted to be constructed.
3. Neither authority therefore wished to take responsibility for the delivery of the scheme which was now considered to be undeliverable and not to represent value for money.

Officers had therefore concluded that the scheme as submitted would not now satisfy Homes England and would not be funded. Officers considered there was an opportunity to evolve the proposed highway scheme in order to better address the issues of traffic flows and junction operation, unlock the same number of homes and

delivery better value for money. This would be through the delivery of a relief road for Cullompton rather than the previously proposed scheme located at the motorway junction itself. A relief road would provide:

1. Better management of queueing in the PM peak on the north bound off-slip at J28, removing a potential safety concern;
2. Reduction of traffic from Cullompton High Street which was an existing Air Quality Management Area;
3. Delivery of a long-standing community aspiration for a town centre relief road to support economic and environmental regeneration of Cullompton High Street; and
4. Early delivery of the first part of the longer term strategic solution which would be required to unlock the full potential for homes and growth at Culm Garden Village.
5. Less disruption to the operation of the motorway junction during construction as the original proposal.

Amending the £10m HIF bid to deliver a relief road for Cullompton did have the support of Highways England and Devon County Council.

The route and precise alignment of the relief road was yet to be determined and would be subject to public consultation before the submission of a planning application. Officers were working on a project programme to meet the Homes England requirement that money was spent and schemes delivered by 2020/21. To meet the tight timetable, some work would need to be financed in advance of final confirmation of the bid outcome from Homes England. A budget of £100,000 for the work would be needed and was therefore at risk should Homes England not agree to support the intervention. A further £300,000 budget was proposed within the recommendation, but this would only be sought in the event that Homes England confirmed approval of the funding and that spend was eligible to be reimbursed through the Housing Infrastructure Fund.

The Council was therefore:

1. Seeking to secure investment in Cullompton's infrastructure;
2. Trying to find the best way to not just deliver the housing, but to also meet the long term needs and ambitions of the town; and
3. The views of local people on potential road alignment would be sought over the following months if the funding was secured.

The Head of Planning Economy and Regeneration answered the questions posed in public question time; she stated that this was an evolving situation; the timescales that Mr Warren referred to were correct and that the press release was as a response to the ministerial announcement which listed the successful projects. What was not clear at that time was the extent of further assessment and due diligence required; the press release was written and published in good faith. What was unknown at the time was the extent of the further processes that were required and that the approval was only in principle and that more work and engagement with Homes England was required. The report before you reflected the evolving situation. She reported that work was taking place with Devon County Council, Highway

Authority and Highways England and through the local authority's due diligence it was now clear that the scheme at Junction 28 would not achieve the extent of benefits originally identified. There was now the opportunity to capture the greatest benefit for Cullompton by delivering a relief road and that was now the preference of Highways England. She outlined the concerns of the Highway Authorities with regard to PM peak congestion backing up on to the motorway and the wider benefits that the relief road could produce. Referring to the question regarding the routes of the relief road, she was aware that the land was in different ownership and there would be a need to secure the land, the precise route had not been decided in the current Local Plan policy it was described as an eastern relief road from Station Road to Meadow Lane and therefore the route had been identified as going through the CCA fields, however subject to technical constraints, whether there was potential for another option on the other side of the motorway was being investigated. A public consultation process would take place to consider options for the route.

The Leader added that with regard to the press release, he still believed that they were quality bids and that the press release was not misleading but based on information that was available at the time.

The Cabinet Member for Planning and Regeneration also highlighted a recent planning appeal which had questioned the impact of new development on the junction and that it was unlikely that substantial S106 funding from the North Western Cullompton development would be made available for improvements to J28.

Consideration was given to:

- The initial funding requirement of £100k and where that money would come from
- The overall cost of the road, funding streams and the timetable for delivering a relief road
- The cost benefit ratio
- Initial works already planned by Devon County Council, Highway Authority for the summer for J28 to widen the carriageway on the eastern side of the junction.
- The details within the North West Cullompton Masterplan regarding the release of funding upon land same and prior to development.
- The views of local Ward Members: Cllr Mrs Woollatt stated that the report did not fully address the risks involved, there was a lack of data with regard to housing growth in the area and that she felt that the scheme would not stand up to due diligence by Homes England. The relief road would cause more congestion as Junction 28 would still be a bottleneck and that the relief road would only deal with town centre congestion; the original plan was deemed to be unsatisfactory and therefore there was a need for a Plan B, she questioned the outcome of the Environment Agency report of flood issues, the landowners on the proposed route options for the relief road were stakeholders and would have to be consulted, the timescales were too tight and that an additional junction on the M5 would be the best option. She also requested that any decision be deferred to allow for better modelling data to be supplied. The

representative from Devon County Council Highway Authority stated that a new relief road would remove the congestion within the town centre and that the modelling outcomes would be better served by an eastern relief road and would reduce the safety concerns of Highways England with regard to queuing back onto the motorway at PM peak times. Cllr Mrs Woollatt also questioned how long a compulsory purchase order would take and the impact that would have on the scheme.

Cllr Mrs Berry stated that the residents of Cullompton were desperate for a relief road and that there was a need to grab the opportunity before Members today; if the scheme was deliverable then there was a need to welcome it.

Cllr Mrs Andrews stated that there was a need for a relief road but it had to be in the right place, there was a need to consider the impact of a relief road crossing the CCA fields and the impact that this would have on the school and the residents of Meadow Lane and Duke Street. Should the relief road be established on the other side of the motorway which would be nearer to the Garden Village? She spoke about the congestion in the High Street and the large vehicles that travelled through the town, the flood issues in the area of the CCA fields and the need for the scheme to cover all the issues in Cullompton.

The Chairman of the Scrutiny Committee highlighted the preliminary informal discussions that had taken place with Homes England.

- If the relief road did pass through the CCA fields it would be raised, if that option was agreed it was a critical infrastructure and therefore allowed in a flood plain
- The relief road would not replace a future junction/significant junction improvement to the M5 which had been proposed as part of the Garden Village scheme, this would be a different stage of intervention.

It was therefore

**RESOLVED** that:

- a) Delegated authority be given to the Head of Planning, Economy and Regeneration to pursue further discussions over Housing Infrastructure Fund Marginal Viability (HIF MV) with Homes England on the basis of an amended highway intervention at Cullompton to deliver the town centre relief road;
- b) A budget of £100,000 be approved to progress development of a relief road scheme and delegated authority be granted to the Head of Planning, Economy and Regeneration in consultation with the Cabinet Member for Planning and Regeneration to commission associated work up to this value;
- c) In the event that HIF funding from Homes England is confirmed, delegated authority be granted to the Head of Planning, Economy and Regeneration and the Director of Finance, Assets and Resources (Section 151 Officer), in consultation with the Cabinet Member for Planning and Regeneration, to

approve a further budget of up to £300,000 to support pre-application work which would then be reimbursed through the HIF fund.

(Proposed by Cllr R J Chesterton and seconded by Cllr R L Stanley)

Note: \*Report previously circulated copy attached to minutes.

(The meeting ended at 11.25 am)

**CHAIRMAN**