

PLANNING COMMITTEE

29th March 2017

REPORT OF THE HEAD OF PLANNING AND REGENERATION

UPDATE: A361 ROAD JUNCTION TIVERTON EASTERN URBAN EXTENSION

Portfolio Holders Councillor Richard Chesterton
Responsible Officers Mrs Jenny Clifford, Head of Planning and Regeneration

Reason for Report: To provide an update on the funding and delivery of the new grade separated A361 junction to serve the Tiverton Eastern Urban Extension

RECOMMENDATION: That the report be noted.

Relationship to Corporate Plan: The Corporate Plan 2016-2020 establishes priorities around the delivery of economic growth including housing provision, business development and planning for and enhancing the built environment. The Tiverton Eastern Urban Extension is a strategic mixed use land allocation within the adopted Local Plan, the delivery of which is vital to realising the Council's spatial strategy. The provision of the A361 junction will unlock the ability to provide housing and employment floorspace on this site.

Financial Implications: See below.

Legal Implications: Legally binding 106 agreements will provide the mechanism for securing financial contributions towards the junction from development as part of the planning process.

Risk Assessment: See below.

1.0 Introduction

- 1.1 The delivery of development on the Tiverton Eastern Urban Extension depends upon the provision of a new grade-separated junction onto the A361. Only the first 330 dwellings may come forward in advance of the junction. Application 14/00667/MFUL for a 'left in left out' road junction on to the A361 was approved in August 2014. A further Application 14/01168/FULL for a full grade separated junction with access and egress onto both the westbound and eastbound carriageways of the A361 was approved in September 2014.
- 1.2 It was initially intended that the new junction would be delivered as a whole by Devon County Council with the first phase (left in, left out slip arrangement on the southern side) funded from development and the second comprising an overbridge and northern slips from the LEP. DCC submitted a £7.5 million funding bid to the LEP and the project was accepted for programme entry under Growth Deal 2 at the meeting of the LEP Local Transport Board in December 2014. It was therefore expected that this LEP funding would be

forthcoming, although it was acknowledged to be subject to the Growth Deal 2 award from the Government.

- 1.3 DCC has been working towards junction delivery and since the grant of planning permission has completed junction design work, prepared tender documents, discharged pre-commencement planning conditions and made a lawful commencement of the planning permission on site. DCC wish to go out to tender shortly. More details on project timescale are below.
- 1.4 The following planning applications have been submitted to date and are expected to provide financial contributions towards the proposed junction:

13/01616/MOUT Outline for the development of up to 330 dwellings together with public open space, associated infrastructure and other works including vehicular access, pedestrian/cycle links and highway improvements.(Applicant Waddeton Park Ltd. Relates to Area A: NE of allocated site). APPROVED WITH SIGNED S106.

Relevant funding secured through S106: £1,736,842 towards the A361 highway works. The applicant is currently looking to renegotiate the timing of the S106 highway contributions.

14/00881/MOUT 700 dwellings, 22,000 sqm B1/B8 employment land, care home, primary school, neighbourhood centre with LILLO junction on to A361 and access / egress on to Blundell's Road. (Applicants Chettiscombe Trust Estate). RESOLUTION TO GRANT PLANNING CONSENT SUBJECT TO S106. (Note separate S106 covering traffic calming works on Blundell's Road is signed).

The Planning Committee resolution included securing £3,684,211 towards the A361 junction from this development via S106 together with the land. No such S106 has yet been signed and is the subject of a further report being considered at this meeting.

2.0 **UPDATED POSITION ON JUNCTION DELIVERY, COSTS AND FINANCIAL PACKAGE.**

- 2.1 Information from DCC on the cost of the proposed junction are as follows:

Full junction £18.2 million delivered in two phases.

Phase 1 south side £11.0 million (includes design costs for the full junction)

Phase 2 north side and overbridge £7.1 million

- 2.2 It has now become apparent that the LEP is not currently in a position to provide the expected £7.5 million to support the A361 junction project. A total of three projects were accepted for programme entry under Growth Deal 2, with funding only available to support the other two (Forder Valley Link Road, Plymouth and M5 junction 25 Taunton). Meetings of the LEP Transport Board and Strategic Investment Panel in December 2016 and January 2017

respectively have confirmed this position. This has resulted in the need to reassess the junction's funding package with this work being led by DCC.

- 2.3 Further discussions with the LEP indicate that whilst funding may be found to support the junction, it is likely to be no more than £1.5 million. However, DCC have recently been awarded funds from the National Productivity Investment Funds and due to the significance the Council attach to this development they have allocated £2m to enable construction of the scheme to commence. In addition there is a possibility that the resurfacing of the A361 in the vicinity of the scheme is undertaken as part of a larger maintenance scheme. DCC now proposes that the junction be delivered in two separate phases. The latest funding package that would deliver the southern part of the junction is set out below. It is drawn to Members' attention that the use of soil nails (Application 17/00098/FULL) overcomes the need for a section of expensive retaining structure allowing a saving of over £1 million to be made. In addition, resurfacing is now only proposed on the southern side of the A361, with maintenance budget (not yet confirmed) to resurface the northern carriageway. Together these account for the difference between the £11 million Phase 1 costs referenced in para 2.1 and those in the table below. The second phase would be delivered at a future date as a result of developer finance from the remaining part of the site (Area B) and via a further infrastructure fund bid.

To deliver the first phase of the junction;

Contributions	£m	Notes
DCC National Productivity and Investment Fund	2	Must be spent 17/18
Waddeton Park development s106	1.2	Forward funding by DCC (spent by DCC on design costs for full junction)
Chettiscombe Trust development S106	1	Forward funding by MDDC
LEP / HCA	1.5	
Developer (Chettiscombe Trust)	2.8	Est construction value to complete link to Blundell's Rd – would follow as separate contract
TOTAL	£8.5	Plus possible funds for resurfacing of the A361

- 2.4 The initial scheme to be constructed via DCC would deliver the proposed southern slips, the acoustic bund, acoustic fencing, southern side drainage and landscaping together with the resurfacing of the A361 on the southern carriageway only. See plan at **Appendix 1** for the extent of the works. The connecting road between the southern slips and Blundell's Road would be delivered by the developer (Chettiscombe Trust) at an estimated cost of £2.8 million. The slips from the A361 would unlock that development and be able to be used as a haul route for construction.
- 2.5 MDDC planning approvals will be needed to allow for the deletion of a section of retaining structure from the scheme through an alternative design using soil nails and for the variation of planning condition as the resurfacing of both carriageways of the A361 is currently required for 200m in each direction. It is now only the resurfacing of the southern carriageway that is proposed at this stage. To do the north side would result in abortive works. The northern section will be addressed upon completion of the full junction although there is a possibility that this will be carried out earlier as part of a wider maintenance scheme.
- 2.6 The delivery of the southern part of the grade separated junction relies upon forward funding from DCC and this Council until development finance is available. DCC has already designed the full junction and undertaken site clearance works. These will be paid back from the Waddeton Trust S106 agreement.
- 2.7 At the meeting of Council on 22nd March 2017 it was agreed that MDDC take out a loan to help forward fund the junction. The loan is expected to be for £1 million and will be sought via the Public Works Loan Board. It will help unlock the delivery of development on this strategic site. Repayment of the loan together with interest will be secured via the Chettiscombe Trust S106 agreement. It is likely that the loan period will be in the order of 10 years.
- 2.8 Information on the programme to deliver the DCC element of the southern part of the junction is as follows:
March 2017 – site clearance and tender out.

April 2017 –tenders received

June 2017 – tender decision (after elections)

September 2017 – construction start after peak tourist period

July 2018 – DCC tendered work complete.
- 2.9 S106 will need to secure the completion of the linking road between the DCC delivered works and Blundell's Road by Chettiscombe Trust. It is expected that the S106 will secure its delivery within 12 months of the sale of sufficient land to generate net receipts that would fund its cost. In addition, no part of

the Chettiscombe Trust development would be occupied until the link road has been completed.

3.0 **NEED TO VARY CERTAIN CONDITIONS ON THE JUNCTION PERMISSIONS.**

3.1 Conditions were attached to the junction planning permissions referred to at 1.1 and are detailed in **Appendix 2**. Of particular interest to this report are Conditions 5, 6 and 13 that seek the completion of various works prior to the first use of either the phase 1 'left in left out' part of the junction or full grade separated junction.

3.2 Delivery of the southern part of the junction will require applications to vary Conditions 5, 6 and 13 to both Application 14/00667/MFUL for a 'left in left out' road junction and to Application 14/01168/FULL for the full grade separated junction.

3.3 Conditions 5 and 6 as resolved at Planning Committee are as follows:

Condition 5:

*'All the works associated with the formation of the bunding/ acoustic barrier and planted zone as shown on plan 1126.553 (rev P1), is to be completed in accordance with approved details **prior to commencement of use** of the new highway routes', and*

Condition 6:

*All planting, seeding, turfing or earthworks comprised in the approved details of landscaping and engineering works as required by conditions 4 and 5 of this permission is to be completed in accordance with approved details **prior to the first use of the development** hereby approved and any trees or plants which within a period of ten years from the implementation of the scheme (or phase thereof) , die, are removed or become seriously damaged or diseased shall be replaced in the next planting season with others of similar size and species. In addition the management and maintenance arrangements for the bund and the areas of open spaces across the application site shall be submitted to and agreed in writing by the Local Planning Authority prior to the commencement of development hereby approved and then implemented accordingly.*

3.4 Condition 5 and 6 of both applications requires the completion of the planting prior to the first use of the junction and linking road. The wording 'first use' rather than 'first use by the public' would therefore include use as a haul route for construction of dwellings and/or employment use. A variation to Conditions 5 and 6 will be required to allow the slip roads to be used as a haul route in order to complete the works to link the slips to Blundell's Road. First use will be by those completing the linking road. However, both conditions require the completion of the planting prior to first use.

- 3.5 Due to the now phased delivery of the A361 junction, the planting in turn will also need to be phased. This will require a variation of condition application to provide the Local Planning Authority an understanding of the phasing of delivery including location(s) and timing of planting. It is DCC's intention to ensure the planting in relation to the part of the junction they propose to construct is completed in the nearest available planting season to ensure there is not a significant loss of plants due to them being planted in the wrong planting season. It will also allow them to become established as early as possible.
- 3.6 The phased delivery of the A361 junction will also require a variation to Condition 13 relating to the resurfacing of both carriageways of the A361 prior to the operational use of the LILO junction. Following the amended delivery programme, the resurfacing of the southern carriageway only is now proposed. To do the north side would result in abortive works. Condition 13 as currently resolved at Planning Committee is as follows:

Condition 13:

'Prior to the left in left out junction hereby approved being brought into operational use by the public the A361 dual carriageway shall be resurfaced 200 metres in either direction on both east and westbound carriageways from the new junction in a material which reduces the noise generated from moving traffic, the details of which shall be submitted to and agreed in writing by the Local Planning Authority before the resurfacing work commences'.

The proposed wording is as follows:

'Prior to the left in left out junction hereby approved being brought into operational use by the public the A361 dual carriageway shall be resurfaced 200 metres in the westbound carriageway direction from the new junction in a material which reduces the noise generated from moving traffic, the details of which shall be submitted to and agreed in writing by the Local Planning Authority before the resurfacing work commences'.

It is however noted that there is the possibility that both carriageways will be resurfaced prior to the completion of the full junction as part of wider highway maintenance works.

- 3.7 No such variation of condition applications have as yet been submitted.

4.0 **RISKS OF JUNCTION AND DEVELOPMENT NON DELIVERY.**

- 4.1 The Tiverton Eastern Urban Extension (TEUE) is identified within both the adopted Local Plan and proposed submission Local Plan Review as a major strategic housing site, the delivery of which is important in the Council being

able to meet its objectively assessed housing need. At this point in time the Council does not currently have a five year housing land supply and is currently vulnerable to speculative development in unplanned locations. The TEUE is allocated in the adopted plan for up to 2,000 houses and in the Local Plan Review for up to 1,830.

- 4.2 At the forthcoming Local Plan Review Examination, the Council will need to be in a position to demonstrate the deliverability of its proposals and that on a site by site basis, the housing and associated allocations will come forward within the expected timescale. With the exception of the first 330 houses, the construction of housing on the TEUE depends upon the delivery of this junction. Housing delivery on the site is already behind that anticipated. The adopted masterplan for the site expected housing to begin to be delivered within 2015/16. To date, no houses have been built. By the end of 2016/17 it was expected that 87 houses would have been delivered on the site as a whole. Construction of the southern phase of the junction will allow the 700 houses and employment floorspace on the Chettiscombe Trust site to come forward.
- 4.3 The funding package set out above includes £2 million from the National Productivity and Investment Fund secured by DCC that must be spent by the end of the 2017/18 financial year. It will not be available for the project beyond this. Additionally indications are that £1.5 million LEP funding will need to be drawn down within a similar timescale otherwise a new bid will need to be submitted against future Growth Deal funding. **The current funding package as set out in this report is therefore time limited. Unless the necessary steps are met and timescale adhered to, £3.5 million of public money to fund the junction will be lost.** This would require a new bid for infrastructure funding and delay.
- 4.4 In order to ensure all necessary steps are in place to start construction in September 2017, the following timings must be met. DCC has requested letters from Chettiscombe Trust and MDDC confirming in principle works / contributions to the scheme. This is requested early March. The LEP Transport Board met on 14th March where funding agreement was agreed in principle subject to a Final Bid with tender prices. This will be followed by a meeting of the LEP Strategic Investment Panel in early April. A signed S106 and final confirmation of MDDC funding would be required in May ready for DCC Cabinet in June to award the contract.
- 4.5 The grant of outline planning permission for the Chettiscombe Trust application does not in itself enable the commencement of development. Reserved matters permission will be needed in advance of the construction of any dwellings.
- 4.6 The Government is currently prioritising the delivery of housing and is actively seeking both greater housing numbers overall, but also the acceleration of build out. Councils will be expected to demonstrate that they are doing their part and to facilitate delivery and it is likely that future funding releases will depend upon the record of delivery.

Contact for more Information:

Mrs Christie McCombe, Area Planning Officer (Tiverton Eastern Urban Extension) 01884 234277 cmccombe@middevon.gov.uk

Mrs Jenny Clifford, Head of Planning and Regeneration
01884 234346 jclifford@middevon.gov.uk

Circulation of the Report: Planning Committee

List of Background Papers:

Planning Committee 23rd April 2015, 9th March 2016, 3rd August 2016, 1st February 2017.

Council 22nd March 2017

Cabinet 30th March 2017

