

**REPORT OF THE CABINET MEMBER FOR ECONOMIC DEVELOPMENT AND  
ASSET MANAGEMENT**

**A614/A6097 IMPROVEMENT SCHEME UPDATE**

**Purpose of the Report**

1. This report provides an update on the significant progress made with the A614/A6097 major road improvement scheme and seeks:
  - Approval for an additional financial contribution of £5.8m towards the A614/A6097 scheme (consisting of Ollerton roundabout, White Post roundabout, Warren Hill junction, Lowdham roundabout and Kirk Hill junction).
  - Approval to submit the Full Business Case for the scheme submission to the Department of Transport on the amended basis as detailed in the report.
  - Approval to undertake detailed design and consultation on an alternative scheme for the A614/Mickledale Lane junction.
  - Approval to commit, in principle, approximately £5m (subject to detailed design) of additional funding towards the improvement scheme at the A614/Mickledale Lane junction.
2. This is a Key Decision because it will result in expenditure of £1 million or over and it will have significant effects on two or more electoral divisions.

**Information**

**Background**

3. The A614/A6097 improvement scheme was identified in the Government's Transport Investment Strategy as a Major Road Network (MRN) with the potential for economic growth, housing development and regeneration opportunities. Funding was made available to improve this corridor to help reduce congestion, support the levelling up agenda by unlocking housing and employment growth, support all road users and positively impact on the Strategic Road Network (SRN). The scheme includes junction improvements along the A614 and A6097 in order to increase traffic capacity whilst also reducing journey time delays. The junctions are within the District of Newark and Sherwood but the whole A614 and A6097 route extends into the Bassetlaw District and Boroughs of Gedling and Rushcliffe where there are committed and allocated development sites located in close proximity to the scheme.

## Supporting the Nottinghamshire Plan/Annual Delivery Plan

4. The Council's 'Nottinghamshire Plan 2021-2031' sets out an ambitious future for Nottinghamshire which is stronger, more prosperous and greener. The A614/A6097 scheme supports the delivery of Ambition 7 (Attracting Investment in infrastructure, the economy and green growth) and Ambition 8 (Improving transport and digital connections). The investment in large scale infrastructure projects such as the A614/A6097 scheme will improve local and regional connectivity and reduce congestion which are all key priorities for the Council. Improving the reliability of journey times and increasing junction capacity on this key corridor will also help attract inward investment and help facilitate economic growth in the area.
5. National policy also highlights the importance of effective transport infrastructure to connect people and places and support economic growth. Improving access to training and jobs, and helping businesses to move goods more efficiently, is central to Nottinghamshire's economic recovery and levelling up agenda.
6. The Council's Economic Transition Plan (ETP) identifies three priorities within the "Infrastructure" theme:
  - *To maximise opportunities for transport infrastructure improvements*
  - *To develop a pipeline of projects that are feasible, deliverable, and affordable*
  - *To proactively engage with and influence partner organisations to ensure maximum benefits*
7. To help deliver these priorities, the Infrastructure and Transport Programme Delivery team work closely with a range of partners and stakeholders. This funding is an example of working in partnership with Midlands Connect to support growth and investment in Nottinghamshire.

## Scheme Background

8. The Council submitted an Outline Business Case (OBC) to the Department for Transport (DfT) for the A614/A6097 MRN corridor in December 2020 with a total scheme cost of £28.6m (breakdown shown in table 1). The economic appraisal work produced for the business case calculated that the package had a Benefit Cost Ratio (BCR) of 3.08 and therefore, at the time, was classed as a scheme that provided a high value for money rating. The DfT define a BCR of between 2 and 4 as a scheme that provides a 'high' value for money.

**Table 1: OBC scheme funding source**

<b>Funding Source</b>	<b>Total</b>
Nottinghamshire County Council	£2,549,000
Developer Contributions	£1,746,293
Department for Transport	£24,339,996
<b>Total</b>	<b>£28,635,289</b>

9. The OBC package consisted of six junction upgrades along the A614 and A6097 in order to increase traffic capacity so that both future residential and employment traffic could be accommodated on the highway network whilst also reducing journey time delays. The junction

improvements, which secured planning permission in September 2022, consisted of the following proposals:

- *Ollerton roundabout – enlargement of existing roundabout.*
- *Mickledale Lane, Bilsthorpe – the OBC scheme was for the installation of traffic signals. However, the scheme was subsequently amended at the planning stage to construct a new roundabout and link road*
- *White Post roundabout – maintenance and road safety improvements at existing roundabout.*
- *Warren Hill – geometric improvements at A6097/A614 intersection*
- *Lowdham roundabout – enlargement of existing roundabout.*
- *Kirk Hill, East Bridgford – enlargement of existing signalised junction.*

### Progress Report

10. Planning applications for the six schemes were submitted to the Local Planning Authority at the end of February 2022, with planning permissions granted for each junction on 27<sup>th</sup> September 2022. The Council made the Compulsory Purchase Order (CPO) and Side Roads Order (SRO) for the scheme on the following day (28<sup>th</sup> September 2022). The six week period for objections to the orders ended on 18<sup>th</sup> November 2022 with only four objections received. The project team for the scheme is continuing to engage with the individual objectors with one objection now formally withdrawn and is hopeful that the remaining three objections will be removed prior to any potential public inquiry.

11. Following the securing of planning permission, the Council commissioned a refresh of the costing exercise for the works package prepared by Via East Midlands and Gleeds. There had been changes to three of the larger junctions since the 2020 OBC submission to reflect consultation feedback and planning requirements which also needed to be costed. These changes total around an additional £2m and include:

- ***Ollerton Roundabout additional Biodiversity Net Gain (BNG) mitigation scheme*** - this work was required to secure the planning permission for the improvement to mitigate against the impact of the scheme for natural conservation reasons.
- ***Ollerton new retaining wall*** for a residential property – this requirement came from the feedback received from consultation and was agreed through the planning process.
- ***Lowdham attenuation pond*** and associated landscaping – as part of a revised drainage strategy and need to provide BNG mitigation on-site. This was required as part of meeting planning requirements.
- ***Kirk Hill new Pegasus crossing and bridleway*** - at the junction to aid equestrians, which was in response to consultation feedback.
- ***Kirk Hill BNG*** – additional landscaping required in response to feedback through the planning process.

12. Furthermore, the costs of the scheme increased due to a number of additional factors. The main reasons for the additional costs are:

- ***Inflationary pressures*** – these are currently being experienced across the construction and civil engineering sector and economy in general, and have resulted in expected civils costs increasing by 41% over the duration of the project. These

increases are consistent with rates being reported by other local highway authorities who are at a similar stage in the major scheme development process. This is one of the biggest risks to the scheme, as demand for civil engineering has dramatically increased with the commencement of HS2 works across the country (further sensitivity testing has been undertaken to understand fully and cost this risk).

- **Professional services costs** - the structure and approach to the project management of the scheme has also been amended, to better reflect the requirements of delivering such a significant and complex infrastructure project. In light of this, there are additional costs included within the total scheme budget of £3.4m

13. Taking these factors into account, the total scheme cost for the six-scheme package is estimated to cost £45.3m. Additional sensitivity testing has been carried out by Gleeds, which is based upon future inflation rates remaining at a high level during the construction phase. This indicates that if this were to materialise, the total cost of the six scheme package could increase by a further £2.4m to a total value of £47.7m. The table below provides a cost breakdown per individual junction for the scheme (excluding the sensitivity testing).

**Table 2: Cost estimate breakdown per scheme – 2020 estimate vs 2023 estimate**

<b>Scheme</b>	<b>OBC Cost estimate (Dec 2020)</b>	<b>2023 cost estimate</b>
Ollerton	£10,699,568	£17,156,083
Mickledale Lane	£5,831,922 *	£11,759,209 **
Warren Hill	£266,875	£252,399
White Post	£268,750	£249,813
Lowdham	£6,422,570	£7,783,321
Kirk Hill	£5,145,603	£8,078,935
<b>Total</b>	<b>£28,635,288</b>	<b>£45,279,760</b>

\* Traffic signals were priced at time of OBC submission for Mickledale junction.

\*\* Scheme as per planning approval (roundabout and link road).

14. Following confirmation from the DfT that it was unable to increase its funding contribution of £24.3m to meet the shortfall, officers were tasked with reappraising the A614/A6097 scheme in light of these cost increases. The main driver of this exercise was to ensure that any scheme package still provided a high value for money rating (i.e. BCR of 2 or greater) whilst still delivering all the desired scheme objectives as set out in the OBC. After reviewing the options, it was considered that including all six junctions within the DfT proposal would not achieve the DfT's BCR requirements and could therefore jeopardise securing central government funding at the Full Business Case (FBC) stage.

15. After detailed consideration and in consultation with the relevant Cabinet members, it is proposed to omit the Mickledale Lane junction from the DfT funded package, as this would bring the scheme back within the DfT's BCR requirements. The cost estimate for a 5 scheme package is £34.4m and a breakdown by activity is presented in table 3. This estimate includes a risk contingency, with a significant amount set aside for inflation and is based on the most up to date inflation forecasts within the industry. It does not, however, include the further figure for the sensitivity testing carried out to reflect a pessimistic outlook on future inflation rates during the construction phase (estimated at a potential further £1.8m for the 5 scheme package).

**Table 3: Revised scheme cost breakdown for 5 scheme package**

<b>Item</b>	<b>Cost</b>
Construction costs	£21,124,710
Statutory undertaker diversion works	£3,289,699
Land	£1,174,681
Fees	£4,684,186
Risk	£4,167,705
<b>Total</b>	<b>£34,440,981</b>

16. Based on the current expectations for developer contributions, this revised package of 5 junctions would see the Council's financial contribution being increased by £5.8m as shown below in table 4. As a result, the Council's total financial contribution to the scheme would be £8.4m (as the Council had previously committed £2.549m as shown in table 1).
17. Officers are currently in discussions with Redrow about its financial contribution towards the A6097/Kirk Hill junction which is required as part of a planning condition connected to the RAF Newton development site. Any additional financial contribution received from Redrow would increase the Developer Contributions above the £1.7m value (shown in table 4) which if secured would reduce the County Council's contribution.

**Table 4: Revised scheme funding source for FBC (5 scheme package)**

<b>Funding Source</b>	<b>Total</b>
Nottinghamshire County Council	£8,354,692
Developer Contributions (S106/CIL)	(Minimum of) £1,746,293
DfT	£24,339,996
<b>Total</b>	<b>£34,440,981</b>

18. Officers are therefore seeking approval for an additional financial contribution of up to £5.8m for the A614/A6097 MRN scheme consisting of Ollerton roundabout, White Post roundabout, Warren Hill junction, Lowdham roundabout and Kirk Hill junction.

Scheme delivery

19. Whilst there has been good progress with the scheme delivery, there are some factors that have caused delays to the overall programme. This includes the timescale for securing planning permission, and resultant design changes (as detailed above). In addition, the completion of the Compulsory Purchase Order (CPO) process may be reliant upon a public inquiry; this was originally programmed for June 2023, but the national casework team has recently confirmed that this will now take place, if required, in September 2023. In this respect the inquiry may not be required if all outstanding objections were to be removed or the inquiry inspector agrees to considering the CPO process via a written representations process. The project team are currently working to pursue these options.
20. Until the CPO process is completed, the FBC cannot be submitted to the DfT. This in turn places some uncertainty on the timescale for securing funding and subsequently commencing the construction works. There will be visible works taking place before this official start date, as there will need to be various surveys, site investigations and utility preparations undertaken. The timetable below shows the estimated timetable of works, based on a worst case scenario

of requiring a public enquiry, along with a 3 month timescale for the DfT's FBC funding decision.

- 21. The proposed programme of works and the sequencing of each of the junctions has been carefully considered following discussions with the network management team. The revised sequencing now reduces the cost of inflation to the total scheme and also ensures that the majority of government funding will be spent before April 2026.
- 22. Whilst there are still some external factors which are outside the Council's control (as explained with the CPO process), Table 5 below shows the broad schedule for the project's key milestones.

**Table 5: A614/A6097 Programme**

Milestone	Date
Public Inquiry (awaiting confirmation)	September 2023
Orders confirmed by Secretary of State	Winter 2023/2024
Submission of FBC	Winter 2023/2024
DfT approves FBC	Spring 2024
Start of works at White Post/Warren Hill	Spring 2024
Start of works at Ollerton Roundabout	Summer 2024
Start of works at Lowdham	Summer 2024
Start of works at Kirk Hill	Summer 2024
Completion of A614 / A6097 project	Winter 2026/2027

- 23. Once the CPO and Side Roads Order (SRO) process has been completed, the next key milestone is to submit the FBC to the DfT. Officers are therefore seeking approval to progress the FBC and to submit the FBC to the DfT for a 5 junction package on completion of the CPO and SRO process.

Project Governance

- 24. To ensure the successful delivery of the scheme, the Council has established a governance structure for the scheme. The Project Board is the decision making body for the scheme and is well established. The Project Board will continue to meet to progress subsequent stages and prepare for and support the construction delivery phase. The Project Board also support the Senior Responsible Owner (SRO) for the project in providing overall direction and management for the project and by making key decisions including the commitment of resources. The contract and programme management resource for the project has been strengthened with the addition of Gleeds and Arc Partnership to the project delivery team. External and independent project assurance has also been acquired with the appointment of Bentley Project Management.
- 25. Alongside this work, a communications plans is being prepared to cover all aspects of communications with local residents, road users, parish councils, MPs and other stakeholders. The project team will organise 'meet the contractor' events prior to the start of construction so that the traffic management arrangements required for the works can be shared and discussed with local residents and interested parties. This will especially be important as there will be

visible works taking place in preparation for the official start of construction of these improvements.

### Mickledale Lane junction

26. The Mickledale Lane junction at Bilsthorpe is strategically in need of improvement and this report seeks consent to re-focus attention to a traffic signals option at this location instead of the previous proposal of a new roundabout and link road. Removal of this junction from the DfT funded programme allows a fuller consideration of the options available, as the DfT's funding and BCR appraisal process is weighted heavily towards journey time savings for the main road traffic flow - as opposed to benefits for local road users, such as Bilsthorpe residents.
27. The previous scheme consultation events held in Bilsthorpe in 2019 showed strong support for the use of traffic signals. Should a revised signalised option be approved, the next steps would be for the project team to engage with any potential affected landowners and to then carry out consultation events in the village showcasing the new design layout to a wider audience. This junction upgrade would then be funded through Council capital funding.
28. Whilst the installation of traffic signals would not improve journey times for the main flow of traffic on the A614 corridor, it would significantly increase accessibility to and from the local villages in close proximity to the junction. It is intended that this would also help to remove the perception from local residents that this junction is unsafe. The use of signals would also ensure that the preferred solution from the 2019 consultation events could be delivered.
29. Approval is therefore sought to continue with further feasibility work with a view to commencing consultation on this signalised junction option later this year. Subsequent approvals for this scheme will be brought back to the relevant Cabinet Member once the detailed design process and consultation phase are complete.
30. Based on initial feasibility work, such a scheme is estimated to cost approximately £5m.
31. The timescales for the completion of such a scheme would be up to approximately 2 years, taking into account necessary statutory procedures such as planning requirements (if necessary) and land acquisition if required, and including an overall construction period of up to 12 months. Consideration would also need to be given to the scheme's interdependency with the wider A614 scheme, as this would also impact upon the starting date. With these factors in mind, detailed timescales for delivery will be reported back to the relevant Cabinet Member for approval, along with the final scheme, later in the year.

### **Other Options Considered**

32. There have been numerous options considered for each junction and extensive traffic modelling has been undertaken to assist in the decision-making process. A revised Option Assessment Report will be submitted to the DfT as part of the FBC which will provide further details on option development since the original OBC was approved. This means that all the improvements for the junctions have been carefully considered, appropriately designed and value engineered (wherever possible).

33. As this report details, there has been a shift in terms of how the overall scheme may be funded. The proposal included within the report has been carefully considered and a variety of options considered:

- The first option to do nothing. At this point of the process, this would mean a significant amount of resources have been spent without realising any benefit to the public.
- The next option is to continue with the FBC and submit all six schemes to the DfT. However, for the reasons outlined in the report, officers understand that this submission would be very unlikely to be successful and would therefore place DfT funding at high risk (and without this, the scheme could not continue).
- The final option is to deliver options as set out in this report. Officers have carefully considered the other options, balancing the risk of not securing the DfT funding, delivering improvements to the junctions that deliver journey time saving but in a safe and cost-effective way, and what is affordable for the Council to contribute to. After careful consideration and a review of the different scenarios, the proposals set out in the report represent the most viable means of ensuring that all 6 junctions can be improved in an affordable way that benefits road users and local residents.

### **Reasons for Recommendations**

34. The revised A614/A6097 scheme will contribute to economic growth and investment in Nottinghamshire and will deliver significant journey time savings and improvements for residents. The proposed revised approach reflects the need to secure DfT funding, ensuring overall scheme viability, value for money and deliverable improvements that will benefit local residents and all road users.

### **Statutory and Policy Implications**

35. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

36. An Equalities Impact Assessment (EqIA) has been carried out for the A614 / A6097 MRN scheme (see 8<sup>th</sup> March 2022 EDAM Committee) and continues to be considered. This considered the impact of the proposed works on those with protected characteristics in accordance with the Public Sector Equality Duty, set out in the Equality Act 2010. Furthermore, the EqIA assessment considered that the scheme should provide a range of positive benefits for those with protected characteristics related to age, disability and gender. Improved journey times will make it easier to reach job, education and training opportunities, and healthcare facilities. Improvements to road surfacing, lighting, signage, crossing facilities, and reductions in speed limits in some areas will improve road safety for all users and increase mobility and accessibility for those who are less mobile. No negative impacts on users with protected characteristics were identified.

37. The scheme has been designed with sustainability in mind with Biodiversity Net Gains now being achieved at all three major junction locations. The Construction phase will be subject to measures and procedures as defined within the Construction Environmental Management

Plan (CEMP) to ensure the works accord with legal compliance and good practice guidance. The CEMP includes measures to minimise dust deposition, air pollution, pollution incidents, light spillage and noise and vibration which will all assist in minimising impacts upon biodiversity receptors. Via EM will also register the delivery of the schemes with the Considerate Constructors Scheme (CCS) and will be delivered in compliance with the CCS's Code of Considerate Practice. Via EM is also committed to delivering local economic growth by using local labour and local supply chains.

## **RECOMMENDATIONS**

It is recommended that Cabinet:

- 1) Approves the additional financial contribution of up to £5.8m for the A614/A6097 scheme (consisting of Ollerton roundabout, White Post roundabout, Warren Hill junction, Lowdham roundabout and Kirk Hill junction)
- 2) Approves the modification of the A614/A6097 Major Road Network DfT funded corridor improvement package and submission of the Full Business Case to the Department for Transport.
- 3) Approves further detailed design and consultation on an alternative traffic signals junction layout at Mickledale Lane.
- 4) Commits, in principle, to funding a £5m improvement at Mickledale Lane in parallel to DfT funded corridor improvement scheme (subject to detailed design).

**Councillor Keith Girling**

**Cabinet Member for Economic Development and Asset Management**

**For any enquiries about this report please contact:**

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### **Constitutional Comments (EP 01/06/23)**

38. The recommendations fall within the remit of Cabinet by virtue of the financial regulations paragraph 4.1.4.3 under which schemes or variation increases over £1 million are to be approved by Cabinet.

### **Financial Comments (GB 05/06/2023)**

39. Financial implications have been considered throughout the report (especially in paragraphs 11-18 and 30). Also, in 2013, the Council entered into the Nottinghamshire Business Rates Pooling arrangement. By working together, Pool Members agreed that surplus funding secured from economic growth within the county would be re-invested to promote further economic growth within local communities. Nottinghamshire County Council's share of accumulated business rates surpluses are held in the Council's Non-Domestic Rates reserve. It is proposed that, subject to a capital bid to the Corporate Asset Management Group, the £8.4m contribution to the revised A614 scheme and the £5.0m contribution to the alternative Mickledale Lane junction are funded from the Council's share of the Non-Domestic Rates Pool Reserve.

## **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Report to Policy Committee 12 September 2018 - Major Infrastructure Improvement Scheme
- Report to Policy Committee 17 October 2018 – A614 / A6097 Major Infrastructure Improvement Scheme
- Report to Communities and Place Committee 4 April 2019 – A614 Major Route Network – Scheme update, compulsory purchase order and side roads orders
- Report to Policy Committee 22 May 2019 A614/A6097 Major Route Network – Scheme Update and Funding Agreements.
- Report to Communities and Place Committee 7 January 2021 – Scheme Update
- Report to Economic Development and Asset Management Committee 2 November 2021 – Scheme Update
- Report to Economic Development and Asset Management Committee 8 March 2022 – Compulsory Purchase Order and Side Roads Order

## **Electoral Division(s) and Member(s) Affected**

- Bingham East Councillor Francis Purdue-Horan
- Bingham West Councillor Neil Clarke
- Muskham and Farnsfield Councillor Bruce Laughton
- Ollerton Councillor Mike Pringle
- Sherwood Forest Councillor Scott Carlton
- Southwell Councillor Roger Jackson