

Divisions Affected – Eynsham

**CABINET
18 July 2023**

A40 HIF2 – Outcomes of Scheme Review

Report by Corporate Director Environment and Place

RECOMMENDATION

1. **The Cabinet is RECOMMENDED to:**
 - a) **Approve the continued development of the initial delivery phase of the HIF2 scheme as set out in this paper**
 - b) **Endorse the continued discussion with Homes England and giving of notice under clause 8.4 of the Grant Determination Agreement (GDA) for revisions to funding window, initial scheme delivery, milestones, ensuring that the required due diligence has been completed to manage programme and financial risk. Once this is completed Authorise the Corporate Director of Environment and Place, in consultation with the Director of Law and Governance, Director of Finance, Cabinet Member for Travel and Development Strategy and Cabinet Member for Finance, to enter into an amended GDA**
 - c) **Approve the further scheme development, assessment and preparation of materials and Authorise the Corporate Director of Environment and Place to enter into public engagement on the initial delivery phase**

Executive Summary

1. This report sets out the outcomes of a review of the original A40 HIF2 scheme definition undertaken following the need for Cabinet to approve withdrawal of the relevant Orders processes in November 2022 (Forward Plan reference 2022/158).
2. A complete re-examination of the scope of the scheme has identified the measures that should be prioritised for delivery against scheme objectives. This process has identified an initial delivery phase that is affordable and achieves the greatest strategic policy fit. It allows the Council to use this to work towards agreement with Homes England and other funding agencies on the route to scheme delivery.
3. The report therefore sets out the scope of the initial delivery phase and the recommendation that, subject to discussions with Homes England, further scheme development and engagement, that it is used as a basis for continued discussions and to undertake a public consultation following the Cabinet's decision, to allow for development and subsequent identification of a preferred option.

4. This report's recommendations focus on a scheme definition that prioritises elements that have best fit with scheme-based and wider policy objectives, and to enable necessary revisions to the Grant Determination Agreement. The recommendation is for the initial delivery phase to be focussed on active travel and significant improvements to bus service operation; acquiring land where affordable and justified.
5. The project's next steps will consist of:
 - Discussions with funding agencies on the initial delivery phase;
 - Further refinement of scheme detail as required;
 - Completing scheme assessments including scheme modelling;
 - Further public engagement;
 - Revisions to funding agreements as required (such as the Grant Determination Agreement with Homes England);
 - Acquiring the required consents for the scheme; and
 - Procurement of contractor and delivery of works.
6. Officers will return to provide an update to Cabinet in Autumn 2023

Exempt Information

7. This report is not confidential or exempt.

Background

8. In 2019, the HIF2 scheme was successful in securing funding support. Preliminary design work was undertaken. In November 2021, a Regulation 3 planning application was submitted for the scheme to the County Planning Authority (CPA). The application has not yet been determined.
9. In July 2022, orders were made for compulsory purchase of land (CPO) and for changes to side roads and to private means of access onto the highway (SRO) required for the full scheme. A request for the orders to be withdrawn was made in November 2022 following Cabinet approval, after OCC identified that the original HIF2 scheme had become unaffordable due to inflationary pressures. Formal non-confirmation of the orders was made by the Secretary of State in December 2022
10. The scheme has since undergone a full review process to consider a range of options and identify the scope of an initial delivery phase that fits within the funding envelope. Further elements could subsequently be delivered if further funding was secured, although at this stage exact source or timing of this is unknown.

Scheme Review

11. The identification of the initial delivery phase has considered elements that have the best fit with delivering scheme objectives and Council Priorities as set out in the LTCP and provides a scheme with minimal barriers to delivery.
12. This has focused on options that provide:

- Full bus priority eastbound along the A40 between the new Eynsham Park & Ride and Oxford North
- Maximised bus priority westbound along the A40 between Oxford North and the new Park and Ride subject to funding constraints.
- A high-quality active travel route along the A40 between Eynsham Park & Ride and North Oxford.
- A junction onto the A40 from the Park & Ride
- A scheme that can be largely delivered within existing highway boundaries.

13. The benefits of the initial phase will be to:

- Support major new housing and employment site allocations in the West Oxfordshire Local Plan.
- provide enhanced infrastructure to encourage mode shift more towards active travel and bus use.
- Provide greater travel choice for people walking, cycling and travelling by public transport along the A40 corridor to encourage greater use of sustainable transport options.
- Provide infrastructure that will support high frequency bus links to/from the new park and ride site at Eynsham to facilitate faster and more reliable bus journeys.
- Reduce carbon emissions and other harmful pollutants associated with travel.
- Provide safer travel for all A40 users.

14. A base option for the initial delivery phase has focused on what can be delivered wholly within the highway boundary. There is a short time window for the scheme to be enhanced if some land acquisition can be agreed by the end of August. This will allow for enhancement of the scheme with additional active travel provision and would be a preferred option for the Council, however, its delivery will depend on agreement with landowners within the available timescales and at a commercial rate agreeable to OCC.

15. Technical work continues to refine detailed designs and to keep potential expenditure within the available budget envelope. Further assessment work including modelling has been commissioned to further test that the initial delivery phase of the HIF2 scheme will result in bus journey time savings and increased journey time reliability.

16. It is still the intention for the current HIF2 planning application to proceed to Planning Committee for a Decision Notice. It remains the County's intention to deliver the entirety of the HIF2 scheme but, owing to cost constraints, it appears likely this can no longer be achieved within a single phase. Project officers are exploring the Town Planning consequences of delivering the scheme in phases and it remains a possibility that one or more of the resultant phases, including the initial delivery phase, will need new/separate planning submission(s). Further information on the planning strategy will be provided in due course.

Corporate Policies and Priorities

17. The A40 HIF2 scheme supports a range of Oxfordshire key outcomes in the OCC Corporate Plan, including:
 - Number of people helped to live safe and well
 - Proportion of people walking and cycling
 - Levels of public transport use
 - Number of new homes
 - Level of investment attracted
 - Level of transport connectivity
 - Employment rates
18. OCC's Local Transport and Connectivity Plan (LTCP) prioritises transport interventions around active travel (walking, cycling etc) and public transport. The revised A40 scheme option must contribute towards achieving the LTCP's headline targets by 2030:
 - Replace or remove 1 out of every 4 current car trips in Oxfordshire
 - Increase the number of cycle trips in Oxfordshire from 600,000 to 1 million cycle trips per week
 - Reduce road fatalities or life changing injuries by 50%

Financial Implications

19. On 29 November 2022, a HIF2 update report was presented to Cabinet recommending the withdrawal of the CPO and the SRO from the ongoing statutory process, due to the unaffordability of the programme, as the latest forecast exceeded approved budget/funding.
20. The scope of the initial delivery phase presented in the paper is framed within the principles of affordability, sustainability of funding and deliverability.
21. If the council withdraws from this programme the costs incurred to date would potentially need to be recognised as abortive.

Rob Finlayson, Finance Business Partner (rob.finlayson@oxfordshire.gov.uk)

Legal Implications

22. Where a material amendment is required to the Delivery Plan, the Expenditure Forecast, the Bid, the Infrastructure Works or the Housing Outputs (all as defined in the Grant Determination Agreement "GDA") the Council must notify Homes England and both parties are obliged to co-operate in good faith to identify what steps can be taken to continue the delivery of the Infrastructure Works and/or Housing Inputs or otherwise agreeing variations to the same.
23. Until there is resolution, Homes England are under no obligation to make funding available pursuant to any further claims. If resolution cannot be reached within 3 months of the notification, Homes England are entitled to terminate the GDA, withhold and cancel any further HIF Funding (which has

not yet been paid to the Council) and/or reallocate/redirect unpaid HIF Funding to another person or for such purposes as Homes England in its absolute discretion considers appropriate.

24. Any agreed variations will need to be reflected in a Deed of Variation to the GDA.
25. Legal advice has confirmed that the current planning application for the HIF2 scheme should continue through to determination. The change in circumstances for scheme funding will be communicated to members of the Planning and Regulation Committee.

Comments Checked by:

Jennifer Crouch, Principal Solicitor - Environmental
(jennifer.crouch@oxfordshire.gov.uk)

Jayne Pringle, Interim Principal Solicitor – Contracts Conveyancing
(jayne.pringle@oxfordshire.gov.uk)

The recommendations are in accordance with the Council's powers and duties under the Highways Act 1980 and the general power of competence in Section 1 of the Localism Act 2011.

Staff Implications

26. Specialist land and legal advisors are already engaged to provide support to the scheme development and other such statutory processes to limit the potential for future challenge to an absolute minimum.
27. Where external professional staffing resources are being utilised, there is an ongoing plan to ensure corporate knowledge transfer and developing an in-house delivery and technical capacity and expertise.
28. The forecast Council staffing costs of project and technical management to completion are contained within the total scheme budget.

Equality & Inclusion Implications

29. The equalities implications of the HIF2 Scheme have been assessed robustly through the design development stages of the scheme to date. These equalities implications have been considered in line with the Equality Act 2010 through the completion of an Equality Impact Assessment (EqIA). A new EqIA will be commissioned to assess the impacts of a phased delivery.
30. The Public Sector Equality Duty (PSED), to which the County Council is also subject, places additional obligations on public sector bodies to eliminate discrimination, advance equality of opportunity and foster good relations. Recognising and complying with these higher standards is required to discharge the PSED. In particular, steps must be taken to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share that characteristic.

31. Reviewing the EqIA and the County Council's PSED will be a continuous process throughout the subsequent stages of scheme development.

Sustainability Implications

32. The HIF2 proposals alongside the complimentary Science Transit 2 project is designed to promote sustainable modes of travel for access into Oxford by commuting traffic by modal shift away from the private vehicle and on to public transport or by walking and cycling. In reducing traffic congestion levels this has positive impacts on air quality and carbon emissions.
33. Similar to the above the successful delivery of the project, alongside other planned transport investment on the A40 corridor, will form a core part of the promotion and early enabling the use of more sustainable forms of travel for the new developments planned for the West Oxfordshire area. This will be teamed with promotional activities to achieve the cultural shift required.
34. The scheme design also will be developed to offset any bio-diversity net loss and provision of improved environment and habitat for wildlife. The initial delivery phase will aim to provide adequate environmental mitigation and required gain in biodiversity as a direct result of its implementation.

Risk Management

35. Risks to the HIF2 scheme have been identified and continue to be mitigated and monitored on an ongoing basis as part of the overall governance of the Scheme.
36. Risks identified relate to financial risks identified in paragraph 21 of this report.
37. Importantly, Homes England may not agree to modifications of the HIF2 scheme being proposed and proceed to withdraw funding and subsequently, terminate the GDA as set out in paragraph 23.
38. Risks relating to the planning strategy as identified in paragraph 16. Risks related to programme delivery are reviewed and managed in accordance with the risk management strategy for the Scheme.

Consultation

39. Subject to a Cabinet decision on the scope of the initial delivery phase set out in this paper, it is intended that the project will hold a public consultation and further engagement with stakeholders, to allow for the development and subsequent identification of a preferred option to take forward.

Bill Cotton
Corporate Director for Environment and Place

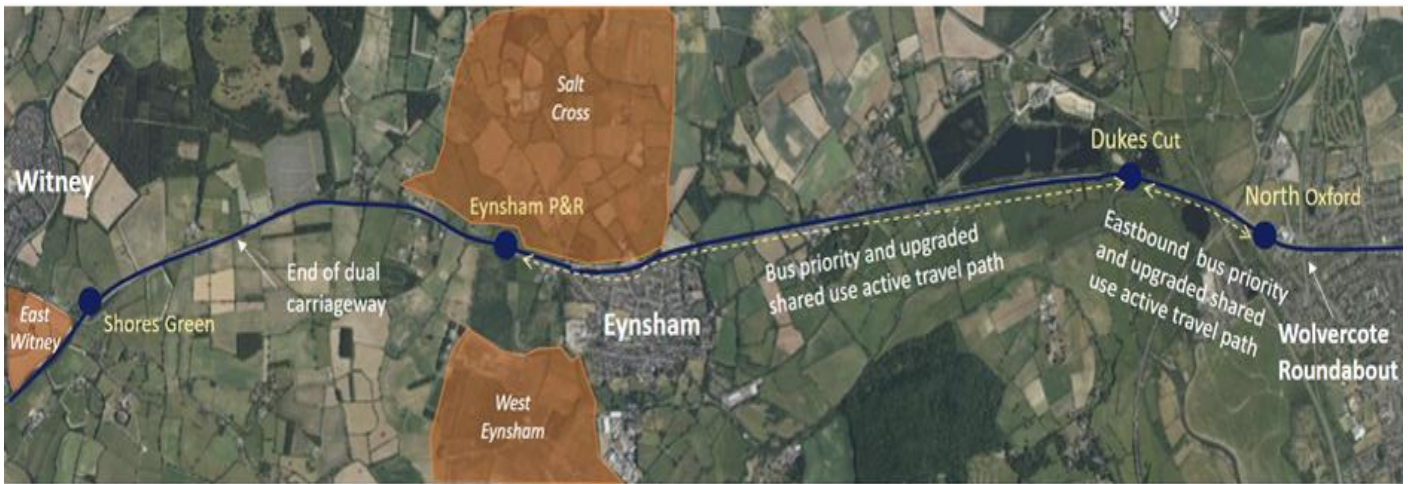
Annexes: None

Background papers: None

Contact Officer: Olu Solola, A40 Programme Lead,
olu.solola@oxfordshire.gov.uk

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Figure One - A40 HIF2: Initial Delivery Phase



Proposed developments

Proposed plans