

Divisions Affected – Didcot Ladygrove

DELEGATED DECISIONS BY CABINET MEMBER FOR HIGHWAYS CONSTRUCTION AND REPAIR

3 September 2026

Didcot Northern Perimeter Road (NPR3) Grant Funding Agreement

Report by Director of Environment and Highways

RECOMMENDATION

The Cabinet Member is **RECOMMENDED** to:

- a) **Accept £6.2 million of Community Levy Grant (CLG) grant funding (originally received by South Oxfordshire District Council) under a Grant Determination from the Department for Communities and Local Government to contribute towards the delivery of the Didcot NPR3 scheme**
- b) **Delegate authority to the Director of Environment and Highways in consultation with the Head of Legal and Governance (Deputy Monitoring Officer) the completion of a Grant Funding Agreement with South Oxfordshire District Council.**

Executive Summary

- 1. This report details grant contributions towards the NPR3 scheme which requires entry into a Grant Funding agreement by the county council. The value of this agreement is over £1million of capital spend.
- 2. It requests that the details and signing of this funding agreement is delegated to the Director of Environment and Highways.

Background

- 3. The Didcot NPR3 scheme represents a ‘missing link’ in terms of the strategic transport infrastructure within Didcot and will extend the existing A4130 Didcot Northern Perimeter Road and, in doing so, link the A4130 Abingdon Road and A4130 Hadden Hill corridors. The scheme will include walking and cycling infrastructure in line with County and District Council priorities to help support and encourage a shift to more sustainable forms of travel. Furthermore, the Didcot NPR3 scheme represents an overall strategy in Didcot to accommodate

housing and wider economic growth whilst also enabling the Didcot Garden Town aspirations to be realised.

4. Didcot and the surrounding area will see significant growth in housing and employment in the coming years. Investment in the Didcot NPR3 scheme is needed now so that the transport network can meet the demands that will be placed upon it in the future.
5. The Didcot NPR3 scheme will support planned growth in both housing and employment and, importantly, support/ facilitate sustainable and active travel in the local and wider area. The scheme will:
 - Provide a much-needed alternative route around the town
 - Help to reduce congestion
 - Deliver high quality pedestrian and cycle infrastructure
 - Promote and accommodate active travel
 - Improve air quality in the area
 - Support planned growth in housing and employment in the region while following the policies set out in Local Transport and Connectivity Plan (LTCP, 2022)
 - Minimise the impact on the landscape and provide a betterment to the local environment
6. The planning application for the Didcot NPR3 scheme is currently anticipated to be submitted in Winter 2026/27 with construction to commence in Spring 2028.

Key Issues

7. The delivery of the Didcot NPR3 scheme is dependent on the availability of sufficient and confirmed funding to support future construction activities. £6.2 million of CLG funding, originally received by SODC under a Grant Determination from the Department for Communities and Local Government, is currently being held by SODC pending acceptance by Oxfordshire County Council.
8. In June 2022, SODC sought approval from their Cabinet to transfer the funding to the Council, subject to approval of the amended Didcot Town Delivery Plan and agreeing funding terms with the Council. The revised Delivery Plan was approved by SODC in July 2022, but the negotiation of the funding agreement has been ongoing. The funding terms have now been agreed and acceptance of the funding is required to ensure ongoing financial certainty for scheme delivery.
9. Accepting the funding at this stage will provide valuable funding required to support the delivery of NPR3 and enable continued progress on the scheme.

Financial Implications

10. There are no new budgetary implications. The £6.200m CLG Grant funding from SODC will form part of the total capital funding allocated to this project of £14.721m and is now transferrable to OCC following the meeting of the grant conditions.

Comments checked by:

Rob Finlayson, Strategic Finance Business Partner,
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Legal Implications

11. The Council will be delivering the Didcot NPR3 scheme in its capacity as highway authority under the Highways Act 1980.
12. The Council will enter into a Grant Funding Agreement with SODC to transfer the funding. The terms of the Grant Funding Agreement have been reviewed and approved by Legal Services.

Comments checked by:

Jayne Pringle, Principal Solicitor (Contracts)
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Staff Implications

13. There are no additional staff implications as a result of this decision.

Equality & Inclusion Implications

14. There are no Equality & Inclusion implications as a result of this decision.

Sustainability Implications

15. There are no Sustainability implications as a result of this decision.

Risk Management

16. It is considered that there are no significant risk implications as a result of this decision. The grant will only be drawn in the later stages of the project once there is delivery certainty to minimise any claw back risk. It is expected the schedule payment will be 50% of the fund, which will be provided when the

design is completed and the remaining 50% will be provided upon construction contract award. Any unspent monies will be returned.

Paul Fermer
Director of Environment and Highways

Contact Officer: Burhan Khan (Project Manager)

September 2026