



<u>Committee and Date</u>	<u>Item</u>
Full Council 27 th February 2020	<u>Exempt</u>

Oxon Link Road and Shrewsbury North West Relief Road - Project Combination

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1.0 Summary

The purpose of this Report is to provide details of the benefits and burdens of merging the Oxon Link Road (OLR) and the North West Relief Road (NWRR), and to seek a formal decision to join the two projects in design and delivery.

2.0 Recommendation

It is recommended that Council;

- 2.1 Approve the proposal that Shropshire Council combine the NWRR and OLR,
- 2.2 Adopt the combined objectives for the new combined project and which are listed at paragraph 3.12 of this report.

3.0 Report

- 3.1 To date, the OLR and the NWRR projects have been developed as individual projects based on separate Outline Business Cases (OBC) and funding streams.
- 3.2 The OLR, part funded by the March LEP through the Growth Deal fund, seeks to provide a local distributor road to facilitate the Shrewsbury West Sustainable Urban Extension (SUE). The NWRR, part funded by the Department for Transport through the Large Local Major fund, seeks to provide a new strategic link between the west and north of

Shrewsbury to improve journey times and relieve the town centre from through traffic. The two schemes are intrinsically linked in providing the completion of the outer Shrewsbury Ring Road.

- 3.3 Since the announcement of funding for the NWRR and with the two schemes being intrinsically linked, Officers have explored the option of combining the two projects.
- 3.4 The funding award for the NWRR undermined the case for a standalone application for the OLR. Shropshire Council therefore withdrew the planning application for the OLR in August 2019.
- 3.5 A decision to pursue a combined scheme was endorsed at the Major Projects Board on 23rd October 2019, and a Technical Note on this decision was approved by the Marches Local Enterprise Partnership Board on 7th November 2019.

3.6 **Strategic Benefits**

The NWRR funding award in Spring 2019 presented an opportunity to review both the OLR and NWRR and how they achieve their objectives. The combined scheme proposals could then be adjusted with significant strategic benefit:

- Better scheme value for money. The changed nature of the OLR will improve the transport user benefits – increasing the benefit for private, commuter and business users.
- Improved pedestrian and cycle safety. The strategic nature of the combined scheme justifies the inclusion of pedestrian and cycle overbridges at the OLR section.
- Improved investment perception. Creation of a single flag-ship project promotes Shrewsbury and Shropshire as a place for investment.
- Reduced real-terms costs. Through economies-of-scale and efficient working practices the combined scheme costs should be less than the delivery of two separate projects.

3.7 **Oxon Link Road Modifications**

- 3.7.1 By combining the OLR with the NWRR, the OLR will become part of the strategic link between the west and north of Shrewsbury.

- 3.7.2 For this link to be a seamless corridor for users, the OLR will need to be reappraised as a 60mph road, consistent with the NWRR.
- 3.7.3 The Little Oxon Lane roundabout, included at the mid-point of the OLR, would need to be removed to reflect the new strategic role of the road.
- 3.7.4 As a result of the increased speed, at-grade pedestrian and cycle crossings are no longer acceptable and segregated alternatives will be designed.
- 3.7.5 The combined scheme will also necessitate changes to the treatment of Welshpool Road. The stopping-up of direct access from Welshpool Road to the A5 will no longer be necessary and instead additional traffic calming measures will be implemented. The traffic calming will be introduced through the SUE West local centre and introduce new pedestrian and cycle facilities to aid sustainable travel.

3.7.6 Figure 1.0 below shows the proposed layout.

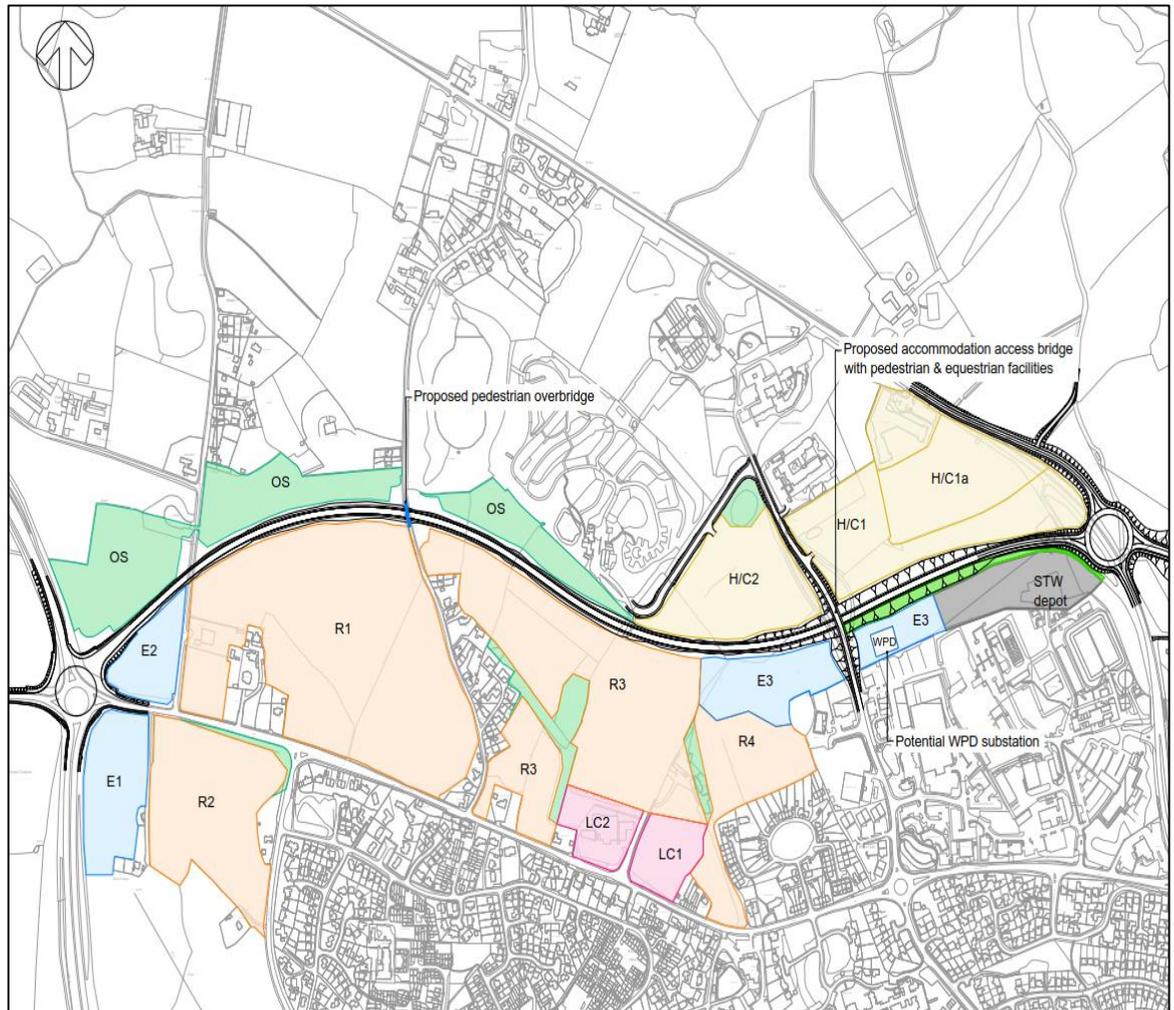


Figure 1.0: Proposed Layout

3.8 Oxon Link Road Benefits

3.8.1 The merger of the two schemes offers some key benefits to the OLR section;

- **Planning objections.** The planning application for the OLR had received significant numbers of objections associated with a number citing the disconnect between the standalone application and the Council's stated aspiration to deliver the NWRR. A combined scheme is better placed to address these concerns.
- **Additional connectivity.** The NWRR will provide a strategic link between the SUE and the north of Shrewsbury including the Battlefield Enterprise Park. The new road link is expected to have a beneficial impact on the development sites comprising the SUE.

- **Shared costs and reduced public disruption.** The OLR and NWRR required different junction works on Holyhead Road. By combining the schemes, a single junction can be delivered with costs proportioned between the schemes and with minimised disruption to the public.
- **Enhanced pedestrian and cycle safety.** The combined scheme will deliver segregated crossing facilities.
- **Validity of environmental surveys.** The survey work previously undertaken in support of the OLR planning application will remain valid for a combined application.

3.9 Oxon Link Road Burdens

3.9.1 The combined scheme offers a series of challenges for the OLR;

- **No direct access.** Removal of Little Oxon Lane Roundabout takes away the direct access to the development land north of the alignment. Instead access will be made through the existing Oxon Business Park site.
- **Delivery programme delay.** Construction of the OLR was due to be completed by November 2020 based on the delay in obtaining planning approval this is longer feasible. The merger with the NWRR will mean a construction completion of June 2023.
- **Masterplan review.** The ongoing SUE Masterplan review may need further consideration to adopt the combined scheme proposal.
- **Redesign of the OLR.** The combined scheme will require redesign of the OLR section. The costs of redesign are borne by the NWRR as off-site mitigation measures similar to other side roads

3.10 Output and Financial Implications

3.10.1 The outputs for the OLR scheme are defined as job creation, housing units completed, and infrastructure created – new roads and cycleways. The quantum of each output will remain unchanged by merging the two schemes. The timing of the outputs is not directly related to the scheme delivery and therefore the delay in the delivery programme is not anticipated to affect the timing of the outputs. Table 1.0 demonstrates that the agreed outputs are unaffected by the proposal to combine the OLR.

	OBC Outputs	Forecast Outputs in combined scheme
<i>Jobs Created</i>	280	280
<i>New Homes Completed</i>	750	750

Table 1.0: Output Comparison

3.10.2 The OLR / NWRR have already been subject to a series of amendments to address technical challenges and stakeholder concerns. Throughout the scheme development the focus has been to maintain outputs and protect the overall scheme budget. These budgets are in line with that agreed at Council in Feb 2017 (OLR) and in May 2019 (NWRR), based on OBC predictions. (See Background Papers)

3.10.3 Further cost forecasting work is currently underway to confirm whether spend will stay within the original financial envelope of the two separate schemes, and this will be detailed in a future report to Council prior to construction contract award, alongside the match source of funding.

3.11 Revised Milestones

3.11.1 The combined scheme would align to the NWRR delivery programme with the key milestone noted below.

- Planning Application – Spring 2020
- Public Inquiry – Winter 2020
- Construction Start – Spring 2022
- Road Opening – Spring 2023
- Full Construction Completion – Summer 2023

3.12 Combined Scheme Objectives

3.12.1 As part of a merged scheme a set of common objectives need to be agreed. These have been considered and approved by the NWRR Project Board and are set out below;

1. To improve regional and local access and connectivity by enhancing the resilience of the strategic and local network, reducing traffic congestion and improving journey time reliability for all modes of transport;
2. To provide the infrastructure needed to facilitate Shrewsbury's development strategy for the Shrewsbury West Urban Extension ("SUE") under Policy CS2 of the Adopted Core Strategy, by enabling the provision of an existing housing allocation for 700 new

- dwellings and the improvement of the Local Centre on Welshpool Road;
3. To support the economic growth and competitiveness of Shrewsbury and Shropshire by enabling the provision of an additional 9 – 12 hectares of employment land, to be used for the potential expansion of Oxon Business Park, a business campus and a gateway commercial area;
 4. To enhance the benefits of other current and anticipated transport investment schemes, including the A49/A5 Dobbies Island junction, the Preston Boats junction, the Emstrey roundabout and the Shrewsbury Integrated Transport Package;
 5. To improve road safety and reduce road casualties and accidents, in part by reducing heavy traffic from unsuitable routes and rat-running on unsuitable rural roads;
 6. To protect and enhance Shrewsbury’s built and natural environment by reducing emissions of CO2 and other greenhouse gases and minimising the environmental impact of the Scheme; and
 7. To support sustainable modes of transport, particularly by altering the form and function of Welshpool Road and by the inclusion of the combined footpath / cycle way along the Proposed Scheme route.

Further information on these can be found in **Appendix 1**.

4.0 Governance and Related Decisions

- OLR / Growth Deal Programme Entry – Feb 2017 – Full Council
- NWRR DfT Programme Entry – May 2019 – Full Council
- OLR / NWRR scheme combining – NWRR Project Board Oct 2019 – Agreed
- OLR / NWRR scheme combining – SUE West Project Board Nov 2019 – Agreed
- OLR / NWRR scheme combining - Major Projects Board – Oct 2019 – Agreed
- OLR / NWRR scheme combining– Marches LEP Board – Nov 2019 – Agreed

5.0 Climate Change Appraisal

Early engagement with the Council’s Lead Climate and Carbon Agenda officer has taken place. An active role will be taken by this officer at the Project Board. This will in due course inform the project’s approach taken through Planning, as regards environmental mitigation, construction methodology, materials choices and post scheme monitoring to ensure compliance / potential betterment with wider Council aims.

6.0 Key Delivery Risk Summary

Risk	Mitigation
DfT Funding could be withdrawn at any time due to national funding issues	Ongoing liaison with DfT nationally on a quarterly basis on project monitoring and forecasting, also ongoing local liaison with DfT stakeholder representative. This will allow the programme to be managed with maximum foresight of any changes to DfT funding allocations.
FBC with any increased costs and/or scope not accepted by DfT	To work to submitted OBC programme in establishing market costs and construction programme costs. Early engagement with DfT to be undertaken on establishment of actual construction costs, prior to FBC being submitted. Consideration of increased local funding contribution. Value engineering approach in latter design stages as required
Project delivery suspended / halted due to local changes in circumstance (financial, planning, Public Inquiry) leading to financial clawback	Establishment and management of local project risk register, ongoing engagement with Planning Authority and key stakeholders and rigorous pre-application preparation.

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Land and asset acquisition being made by Shropshire Council in advance of accepted FBC	All land acquisition agreements to be made pending, and subject to, the condition that FBC is accepted by DfT
Costs in FBC preparation exceed current OBC forecasts	Work programme and resource allocation to engineering, stakeholder engagement, traffic modelling, project management and pre planning preparation to be monitored and managed closely by NWRR Project Board.
ESIA requirement as part of ongoing project delivery	To undertake ESIA, most usefully in parallel with planned public and stakeholder engagement, under the pre planning application process. Regular updates will be made as overall NWRR design elements are finalised

List of Background Papers ;

1. Full Council 23rd Feb 2017 - FINANCIAL STRATEGY 2017/18 – 2019/20

<https://shropshire.gov.uk/committee-services/documents/s14603/10%20Council%20Financial%20Strategy%20report.pdf>

2. Full Council 16th May 2019 - Shrewsbury North West Relief Road – DfT Programme Entry

<https://shropshire.gov.uk/committee-services/documents/b13274/Shrewsbury%20North%20West%20Relief%20Road%20-%20DfT%20Programme%20Entry%2016th-May-2019%2010.00%20Council.pdf?T=9>

Cabinet Member (Portfolio Holder)

Cllr Steve Davenport

Local Members

Cllr Peter Adams

Cllr Peter Nutting

Cllr Alexander Phillips

Cllr Ioan Jones

Cllr Dean Carroll

Appendices

Appendix 1 - Technical Note 70056211-WSP-GEN-AS-DT-ZM-00005.