

Local Transport Board, 12 December 2017**Paper E****Recommendation**

This report is for noting

Introduction

Over the past two years Devon County Council has been developing a strategy for improvement of the A361 North Devon Link Road, which runs from M5 Junction 27 to Barnstaple, and continues as the A39 to Bideford. The first section of the A361, from the M5 to Tiverton, is dual carriageway but the remainder was built in the 1980s as a single carriageway trunk road.

Devon has now completed an Outline Business Case which is to be submitted to Government by 22nd December 2017. The submission of this bid has been endorsed by the LEP Board at its meeting on 21st November 2017.

Large Local Transport Major Schemes Process

In 2013 the Department for Transport (DfT) decided to devolve decisions on funding for major (over £5m) local transport projects, initially to Local Transport Bodies, and subsequently through the Growth Deal process. Over half of the £12bn allocated to the 2016 -2021 Growth Deal nationally was from the DfT.

However, in 2016 DfT decided to reserve some £500m of their Growth Deal contribution for Large Local Transport Major schemes; these were to be projects which would be too large to be funded through the conventional Growth Deal rounds, and a minimum scheme size was defined for each LEP. In the case of HotSW the minimum scheme size for a Large Local Transport Major project was set at £75m.

In 2016 DfT invited LEPs to submit bids for development funding for Large Local Major schemes, and also indicated that they would be holding a series of submission rounds for Outline Business Cases for such projects. A bidding round for Outline Business Cases was held in March 2017, and the next submission date is December 2017. DfT expect bids to be submitted by LEPs as the funding was part of the £12bn Growth Deal allocation.

Devon County Council was allocated £1.5m project development funding by DfT for the North Devon Link Road in 2015. The Outline Business Case has now been prepared and is ready for submission. In anticipation that this bid would be prepared the LEP submitted a “placeholder” bid for the North Devon Link Road for up to £150m alongside its Growth Deal 3 bid in Summer 2016.

The A361 North Devon Link Road Project

The North Devon Link Road from Tiverton to Barnstaple, and on to Bideford, was constructed by the government as a single carriageway trunk road in the 1980s. There are limited overtaking opportunities, and with a significant proportion of heavy goods vehicle traffic this can lead to platoons of traffic with some driver frustration. Although the overall accident rate for the route is

not high there has been a significant number head-on fatal/serious accidents as a result of overtaking manoeuvres.

The route was de-trunked in the 1990s, and hence is now the responsibility of the Local Transport Authority, Devon County Council.

Traffic flows along the route are generally within the capacity of a single carriageway road; flows are highest on the bypass south of Barnstaple where a dual carriageway would be justified.

Upgrading the whole route to dual carriageway standard would be prohibitively costly, and would not give a value for money business case. Devon has therefore been considering options for enhancing the capacity of the route, and conducted public consultation on the options in 2016, and again in 2017.

The results of this project development work were reported to the Devon County Council Cabinet on 11 October 2017. The Cabinet approved a strategy for the North Devon Link Road, and the submission of the Outline Business Case to DfT. A copy of the Cabinet Report is available on the County Council web site, together with the Technical Appraisal Report.

Strategy for the North Devon Link Road

South Molton to Bideford

The County Council Cabinet has adopted the following strategy for the section of route northwards from South Molton:-

- Widening of significant lengths of the route to give 2 lanes in one direction and one in the other, thereby increasing overtaking opportunities
- Widening of the Barnstaple Bypass to 2 lanes in each direction, without a central reserve
- Improvements to 8 junctions between South Molton and Bideford to increase capacity and remove right turn movements across oncoming traffic

The strategy for this section is illustrated in Appendix 1

M5 Junction 27 to South Molton

This section is still under review, and it is understood there may be further scope for junction capacity improvements.

The Large Local Transport Major Scheme Bid

The County Council concluded that implementation of the above strategy for the whole length from South Molton to Bideford is not affordable at this stage. This is not just a question of the scale of DfT funding available, but also the ability to offer match funding from the County Council's own resources or other local sources of funding. The Outline Business Case has therefore been completed to support a bid for a first phase – between Barnstaple and South Molton. This is the section which received greatest support in the public consultation and is likely to have the strongest business case. It is also the section which has the best prospect of early delivery.

The bid will also include improvements at key junctions on the route between South Molton and Bideford.

The financial details of the bid are shown in the table below. The level of local contribution, at £10m, is 11% of the estimated total cost for this first phase.

| Source of funding | Scale of funding £m |
|---|------------------------|
| Department for Transport | 83 |
| Devon County Council | 5 |
| Developer contributions (underwritten by DCC) | 5 |
| Total cost (including risk and optimism bias) | 93 |

The latest information from the County Council is that the Benefit to Cost ratio for this first phase is between 1.5 and 2.0, which places the scheme in the Medium value for money category. However, when the impact of supporting economic growth through unlocking housing and employment development is taken into account there is a justification for upgrading the value for money assessment to the High value for money category.

Conclusion

The LEP had already indicated its support for the principle of improving the North Devon Link Road through its submission of a “placeholder” bid in Summer 2016. Two of the Growth Deal 1 transport projects which have recently been completed also contribute to the North Devon Link Road strategy:-

- Portmore Roundabout, Barnstaple – this has increased capacity of the junction and reduced queueing
- Roundswell Phase 2 – a pedestrian and cycle bridge over the A39, linking the proposed new Roundswell employment site to the existing housing and employment.

In light of the Strategic Economic Plan and Productivity Strategy objective of improving strategic connectivity, the fact that the first phase concentrates on the South Molton to Barnstaple section of the route is to be welcomed. Also, the introduction of additional sections of carriageway which offer overtaking opportunities should reduce driver frustration and lessen the potential for head to head accidents, thereby enhancing the resilience of the route.

The LEP Board therefore endorsed the bid and submission of the Outline Business Case to DfT.

