AGENDA ITEM 12

MEETING OF FULL COUNCIL

20TH JULY 2016

REPORT OF THE HEAD OF REGULATORY SERVICES

PROGRESS WITH THE DEVELOPMENT OF A MELTON MOWBRAY TRANSPORT STRATEGY

1.0 PURPOSE OF REPORT

1.1 This report provides an update on progress towards a transport strategy for Melton Mowbray, including the provision of an outer relief road.

1.2 On 24th September 2015 the Council considered a report setting out proposals for the development and eventual delivery of a Melton Mowbray Transport Strategy, including plans for an outer relief road for the town. The purpose of this report is to provide an update on further transport study work that has since been undertaken and seek agreement to the way forward, including prioritising the development of a preferred route for the eastern part of an Outer Relief Road (ORR).

2.0 RECOMMENDATIONS

2.1 **That the Council :**

(i) Agrees to continue to work alongside the Highway Authority towards the development of the Melton Mowbray Transport Strategy (MMTS) as outlined in the report, including the prioritisation of a preferred route and business case for the development of the eastern section of an outer relief road.

(ii) Agrees to continue to seek funding towards the MMTS via the Transport Strategy Fund established by the Highway Authority, in the form of developer contributions from proposals where they are relevant to this issue.

(iii) Supports all appropriate opportunities to secure funding working alongside the Highway Authority, such as submitting a bid via the LLEP to the DfT for the Large Local Major Scheme Fund.

(iv) Instructs that updates are be reported Council on the progress of the Melton Mowbray Transport Strategy including the development of the eastern ORR business case.

3.0 KEY ISSUES

3.1 Melton Borough Council's draft Local Plan (Emerging Options) suggested a potential level of growth that will significantly increase development levels in the town beyond that which has been delivered in recent years. Despite previous investments in highway improvements, there continue to be some significant traffic problems in the town which are already acting as a constraint on the town's growth.

3.2 A number of separate, but inter-linked, studies have been undertaken by transport consultants on behalf of the Borough and County Councils, using the Leicester and Leicestershire Integrated Transport Model (LLITM). These were reported to Council

in September 2015.

3.3 In summary, the studies confirm the extent to which the town is affected by existing traffic volumes and at peak times a number of main routes into the town are shown to have delays in excess of 3 minutes per mile, an indicator of severe congestion.

3.4 The studies also highlight that the main problems appear to be centred on a relatively small number of junctions in and around the town centre (shown in the plan attached as Appendix A to this report). These junctions are at crucial points on the network where the main routes into the town converge and where there are limited alternative routes for traffic. The latest report, completed in April 2016, considered in principle the routing for options to the East and West of the town, the findings of this are summarised below at Para 3.10.

3.5 It is considered that a Transport Strategy is therefore needed to support the strategic growth of the town and to fulfil the dual aim of facilitating the introduction of an ORR, but also helping the town to mitigate some of those interim negative impacts through the introduction of more modest transportation measures.

3.6 At the meeting of Council of 24th September 2015, it was agreed to work alongside the County Council to develop a Transport Strategy, which would focus initially on identifying a preferred corridor for an ORR. It agreed also that new developments in the vicinity could be supported in the interest of obtaining developer contributions, accepting that these might cause a temporary deterioration in traffic conditions until such time as the scheme was completed. This approach was captured in a 'position statement' that is attached as Appendix C to this report for ease of reference.

3.7 The Planning Committee has started to secure developer contributions through s106 planning agreements linked to planning permissions. In each case care is taken to ensure that contributions comply with Regulations governing what can be secured and the number of them that can be pooled and used for the ORR (including financial contributions towards the funding of the ORR).

3.8 Appendix B to this report shows a route for the ORR linking to the north and south of the town that will be an integral part of any proposed development as set out in the Local Plan and as such these ORR sections have a high likelihood of proceeding without depending on alternative sources of funding. Further development of these will be subject to discussions and negotiations between developers, with support from the County Council as the Highway Authority.

3.9 Since September 2015, further work has been carried out by County and Borough Council officers and consultants, which considered broad routing options and a link to the east and the west of the town. Consultants were engaged to provide expert input into the appraisal process and a full report was prepared in April 2016, the results of which are summarised below (para.3.10)

3.10 Key results from routing options work:

- a comparison of ORR options to the east and west of the town, which involved an assessment of relative strengths and weaknesses of each option through transport modelling and a government approved Early Assessment and Sifting Tool. (E.A.S.T)

- both options to the east and west had similar benefits. The western option directly serves employment sites but must cross a river and a railway line. The eastern section, albeit with a lower contribution to economic development, by virtue of being shorter, provides greater transport benefits at lower costs.

- A summary of the modelling outputs is given below. These represent indicative amounts used for testing options and are not as yet definitive estimates.

	West	**East**
Construction Cost	£107. m	£83.m
Cost to Traffic Benefits Ratio	0.6 – 1.0	1.1 – 1.9
Annual Economic Benefit *	£109m	£102m

- Transport models can only estimate based on statistics and algorithms. Local knowledge and discussions with local businesses regarding their expansion requirements, indicate that existing businesses in the west of Melton would still gain significant economic benefit from the 'east' option.

- More detailed research with businesses will be needed to establish exact employer requirements. Early indications are that the east option enables changes in access patterns to the central area that could help expansion and relocation plans and facilitate a balanced supply of employment sites including valuable 'incubator' units.

- The eastern ORR has a higher cost benefit ratio. This is not the only factor influencing the chance of bid success but it is one of the first things that scheme funders look for. It is highly unlikely that a scheme with a cost benefit ratio below 1 will be successful in securing funding bids under current Department for Transport guidance. Given this, and considering the overall costs and benefits, it is sensible to make the eastern option the priority to take forward for seeking funding.

3.11 By focussing MMTS resources on a single corridor to the east, best use of resources can be made. A corridor study can identify the broad route, and this will enable the creation of an outline business case suitable for funding applications. Whilst it is not proposed to pursue the western route at present it is possible that this might be reviewed in the future if, for example, the funding situation changes. The modelling work could then be used to support a business case. **For the avoidance of doubt, this report does not finally determine the line of the ORR or the eastern link.**

3.12 The highway design work will need to balance the requirements for:

i. A route sufficiently developed to engage with funding agencies.

ii. Preliminary surveys to help a scheme become 'shovel ready.'

iii. Avoiding blight to property whilst providing reassurance on progress.

This will be kept under review in order to take maximum opportunity of every relevant potential funding opportunity, some of which may arise at short notice.

3.13 The Highway Authority intends that further study work and detailed modelling is carried out in relation strategic growth across the County. Melton Mowbray is to be included in this work. The MMTS will continue to use the LLITM transport model and detailed junction analysis to identify future and current problem areas and alongside specialist input, to support town centre management and study how the demands of housing, jobs and growth can be accommodated.

4.0 POLICY AND CORPORATE IMPLICATIONS

4.1 The Highways evidence has developed our understanding of the key challenges facing the development of the Town and how the Local Plan may be able to guide development to address them.

4.2 Further work is required to draw upon this evidence and to select the preferred route. The work will be complemented by the strategies included in the Local Plan submission version programmed for later this year.

4.3 These studies are not only relevant to the Melton Local Plan; they provide an evidence base to inform all of the Borough Council's activities and are already providing evidence to inform decisions on planning applications.

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

5.1 The work referred to in this report was part funded by £400,000 committed by Council in September 2015, with the remainder secured from the County Council.

6.0 LEGAL IMPLICATIONS/POWERS

6.1 The Highways evidence updates are now material considerations in determining planning applications for development and will play a key role in developing policy and site allocations in the Local Plan.

6.2 Developer Contributions to the MMTS are secured under s.106 of the Town and Country Planning Act 1990 and both limitations and requirements imposed by the Community Infrastructure Levy Regulations 2010 (as amended), particularly Regulation 122 and 123 which regulate the use of powers under s106.

6.3 Regulation 122 requires that a planning obligation secured under s106 may only constitute a reason for granting planning permission for the development if the obligation is—
(a)necessary to make the development acceptable in planning terms; .
(b)directly related to the development; and .
(c)fairly and reasonably related in scale and kind to the development.

6.4 Regulation 123 imposes a limitation that planning obligations may not constitute a reason for granting planning permission to the extent that five or more separate planning obligations provide for the funding or provision of the same project, or type of infrastructure.

7.0 **COMMUNITY SAFETY**

7.1 There are no direct community safety implications as a direct result of this report.

8.0 **EQUALITIES**

8.1 There are no equality and human rights implications arising from the recommendations in this report.

9.0 **RISKS**

9.1

LIKELIHOOD					
A	**Very High**				
B	**High**				
C	**Significant**				
D	**Low**		4		
E	**Very Low**	1		2,3,5	
F	**Almost Impossible**				
		Negligible 1	**Marginal 2**	**Critical 3**	**Catastrophic 4**

IMPACT

Risk No	Risk Description
1	Further funding for the Transport Strategy is not secured
2	Decisions on planning applications are made that undermine the approach.
3	Developers fail to make contributions towards highways solutions.
4	The approach towards developer contributions impacts on the viability and delivery of desirable developments
5	The housing and infrastructure needed to enable Melton Mowbray to prosper is not achieved.

10.0 **CLIMATE CHANGE**

10.1 There are no direct climate change issues arising from this report.

11.0 **CONSULTATION**

11.1 As part of the development of the Melton Mowbray Transport Strategy, public consultation will be undertaken at the appropriate time, including on the Eastern ORR. It will also be necessary for officers to engage with relevant local land owners.

11.2 This consultation will be led by the Highway Authority and will be additional to the consultation intended for the Local Plan when it reaches 'submission stage' later this year. Clearly, there is a strong interface because the development proposals in the Local Plan form a key element of the ORR in its final form, and their full effectiveness will be realised when connected to the 'north-south' link on either the east side or the west side of the town (see Appendix B).

12.0 **WARDS AFFECTED**

12.1 Though the MMTS is focussed on Melton Mowbray, it influences all Wards due to the key role that the town makes to the wider Borough economy and the strategy for growth.

Contact Officer	J Worley, Head of Regulatory Services
Date:	14 July 2016
Appendices :	Appendix A : Key town centre junctions in Melton Mowbray Appendix B : Diagrammatic representation of outer relief road links Appendix C: 'Position Statement' September 2016
Background Papers:	Melton Mowbray Distributor Road - Option Appraisal Report April 2016 http://www.leicestershire.gov.uk/sites/default/files/field/pdf/2016/5/9/Melton_Mowbray_report.pdf