Agenda Item No: 12

Report To: CABINET

Date: 10th APRIL 2014

Report Title: M20 Junction 10a

Portfolio Holders: Cllr Robey & Cllr Galpin

Report Author: Simon Cole, Policy Manager

Summary: The delivery of additional motorway junction capacity through

a new Junction 10a to the south-east of Ashford is already recognised as one of the Council's Big 8 Priority projects. The

existing Junction 10 was improved in 2007 but those improvements were acknowledged as having only a limited

capacity and the Council's existing growth plans and extant planning permissions require the delivery of additional junction capacity in order to be fully delivered. In addition, it is recognised that the delivery of a new Junction 10a will be required to support a sound new Local Plan that looks ahead

to 2030.

The report considers the pros and cons of the available options for the delivery a new motorway junction and to establish a Cabinet position on the subject to inform future discussions with the Highways Agency, Kent County Council and developers as well as potential funding agencies such as

the South East LEP.

Key Decision: NO

Affected Wards: Weald East, Highfield, North Willesborough

Recommendations: The Cabinet be asked to:-

a) Support, in principle, the delivery of the SELEP funded scheme for Junction 10a by 2019 and,

b) Support, in principle, the subsequent delivery of an enhanced SELEP scheme to create a new, all-movements Junction 10a in the same location

when funding permits.

Policy Overview: The need for a new Junction 10a to serve the planned growth

of Ashford is acknowledged in the Council's adopted planning policy documents, specifically, the Core Strategy (2008) and the Urban Sites & Infrastructure DPD (2012). Although decisions are yet to be taken in respect of the quantity and location of planned development in the emerging Local Plan

to 2030, without a Junction 10a, the lack of additional motorway junction capacity in this area would have a fundamental impact on the council's ability to prepare the most suitable and sound Plan for the borough.

Financial Implications:

Discussions are underway on the funding of the interim scheme – the majority of the funding being from the Local Enterprise Partnership and the developer. Any remaining funding that may be needed is likely to be drawn from SPG6 contributions (and CIL in future). Should any direct financial consequences arise for the Council from either direct contributions or forward funding this could have a potential impact on the general revenue fund and would need to be reported to members for a decision.

Risk Assessment YES

Equalities Impact Assessment

NO

Other Material Implications:

None

Background Papers:

None

Contacts: Simon.cole@ashford.gov.uk – Tel: (01233) 330642

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Purpose of the Report

1. To consider the pros and cons of the available options for the delivery a new motorway junction and to establish a Cabinet position on the subject to inform future discussions with the Highways Agency, Kent County Council and developers as well as potential funding agencies such as the South East LEP.

Issue to be Decided

2. Whether to support, in principle, proposals to deliver additional junction capacity through the construction of a new motorway junction to the southeast of Ashford.

Background

- 3. Since the end of the 1990s, it has been recognised and accepted that the traffic-carrying capacity of M20 Junction 10 was inadequate to serve planned developments to the south and east of Ashford an area that successive Local Plans (as well as Structure Plan and regional planning documents) had long identified as fundamental to achieving the council's aspirations for growth.
- 4. This recognition provided the catalyst for the procurement of the South of Ashford Transport Study (SATS) by a partnership of relevant stakeholders including the Borough and County Councils, the Highways Agency and local landowners and developers. The SATS was published in 1999 and identified a range of highway and other transport related improvements necessary to deliver the (then) planned growth of the town. The need for a new 'Junction 10a' to act as the long term solution to highway capacity constraints in the area was highlighted as part of the SATS package of measures.
- 5. Prior to the delivery of a 'Junction 10a', the SATS work proposed the construction of an 'interim' upgrade to the existing junction as a means of providing some limited additional capacity that would enable some new development to be released and thus release developer contributions towards the delivery of the wider package of measures, including a proportion of the costs of a 'Junction 10a' scheme. A subsequent 'J10 interim' upgrade scheme was forward funded by Taylor Wimpey and was completed in 2007 and this is the current junction layout at Junction 10.
- 6. Alongside the work on the J10 interim scheme, the Highways Agency was progressing options for the delivery of a new, all-movements Junction 10a scheme. Several options were considered including further improvements to the existing Junction 10; a single bridge J10a (like J6 (Faversham) of the M2), and an option to the east of Mersham. Eventually, a proposed scheme for a new gyratory interchange with a dual carriageway link road from the A2070 and connection to the A20 Hythe Road was settled upon as the optimum

scheme. This proposal also involved the closure of the two east-facing slip roads at the existing Junction 10 and so would result in a total of 6 slip roads between the two junctions. A public consultation exercise was carried on the proposal by the HA between June and September 2008 and this led to the scheme being given 'Preferred Route' status by the Government in 2009. This scheme remains what is now termed the 'Government' scheme for Junction 10a.

- 7. However, with the election of the Coalition Government in 2010 and the decision nationally to scale back on public spending, public funding was withdrawn from the 'Government' scheme for Junction 10a although it was not fully dropped and has remained on a 'long-list' of HA schemes since. The clear advice from the (then) Roads Minister to council officers was to seek a more locally designed and funded solution that would not rely on central government funding.
- 8. With the 'Government' scheme being stalled due to lack of available funding, a further alternative scheme has since been worked up. The initial work on this has been undertaken by the consultants Steer Davies Gleave (SDG), on behalf of AXA/DMI, the landowner / developer of the Sevington employment site which lies to the south east of the existing Junction 10 and which is allocated for development in the adopted Urban Sites & infrastructure DPD. As majority landowner in the area, some of AXA/DMI's land would have been required to deliver the 'Government' J10a scheme in any event but the lack of any additional junction capacity at the existing J10 would restrict their ability to market and develop out their site.
- 9. The proposal drawn up by SDG involves a single carriageway link road from the A2070 to a new bridge over the M20 adjacent to the existing Highfield Lane crossing linking to the A20, with an off-slip from the motorway for London bound traffic and an on-slip to the motorway for coast bound traffic see Appendix. This proposal would retain <u>all</u> the existing slip roads at the existing Junction 10 interchange, so would also involve 6 slip roads in total between the two junctions.
- 10. Importantly, the SDG-designed scheme is intended to follow the key elements of the 'Government' scheme, so that it could be upgraded in the future to become the 'Government' scheme without significant abortive costs being incurred.
- 11. In 2013, the SDG-designed scheme was considered by the South East Local Enterprise Partnership (SELEP) Local Transport Board as one of the 6 key transport infrastructure priorities in the SELEP region (one of only two in Kent) and was provisionally awarded £19.7 million towards its delivery see funding section below. Since then, it has been agreed with KCC that, as the locally responsible body for the spending of LEP funding, the delivery of the scheme would be led by them and not the developers or their consultants. This would involve KCC making a planning application for the scheme for which they would be the Planning authority (ABC would be a consultee).

Capacity issues

- 12. When the SATS work was undertaken, an analysis of the available capacity at the existing Junction 10 was completed. This looked at traffic generated by both committed development (i.e. that with planning permission) and proposed development (i.e. in allocated plans but without planning permission) alongside predicted growth in 'background' traffic, i.e. that already on the network and not related to a specific development.
- 13. A system of generic 'Development Units' (DUs) was set up to compare trips generated by different land uses that use different trip rates. This showed that a total of 32.8 DUs of new traffic could be accommodated by the Junction interim improvement scheme (see para. 5 above) before a new J10a would be needed. The Council subsequently produced informal guidance to apportion the available capacity between competing developments and adopted supplementary planning guidance (SPG6) to provide the basis for levying developer contributions towards the SATS package of transport improvements.
- 14. Since then around 15 DUs of development has been implemented and the remainder committed in a variety of planning permissions across different sites. Some, such as at Cheeseman's Green, are limited by condition to the amount of development that can be released before a Junction 10a is in place. A recent review of the J10 interim scheme has indicated that it may be able to accommodate a small amount of additional development beyond the 32.8 DUs but there is no provision made to cater for traffic generation for any potential new allocations that the council may want to make as part of the emerging Local Plan 2030.
- 15. More recently, the HA has also commissioned work to consider the capacity of the SELEP funded J10a scheme. This work suggests that this scheme would enable the release of about 95 DUs of additional traffic before capacity would be exhausted. About 20DUs of this is from sites with planning permission (principally the permitted 'employment' element of the Cheeseman's Green outline consent) which would leave around 75 DUs worth to allocate to other sites as part of the Local Plan review. This is very likely to be sufficient to accommodate Ashford's growth requirements in this area in any new Local Plan.
- 16. There is no equivalent work to establish the capacity of the 'Government' J10a scheme (see para.6 above), although it is reasonable to expect that it would deliver more capacity than the SELEP scheme.

Costs / Funding and Timing issues

17. The 'Government' scheme for J10a was assessed at various costs during its preparation. During its public consultation in 2008, the cost was estimated at somewhere between £66 – 90 million and before it was 'parked' in 2010, a figure around the £90 million mark was being quoted. Of this cost, it had been proposed that two-thirds would be funded by central government grant with the remainder forward-funded by the Homes & Communities Agency (HCA). This element was to have been re-paid from developer contributions as they arose from nearby developments

- 18. Since 2010, as public sector funding has been reduced, it is unclear what level of funding the Government would be prepared to commit to the delivery of Junction 10a, whilst the potential for HCA funding has disappeared. Whilst it is understood that central Government is reviewing its roads and infrastructure programmes post 2015, there is no clarity at present as to the priority that Junction 10a would be afforded in any central funding programme and the proportion of private sector funding that would be required to deliver the scheme. As such, it is very difficult to provide any level of certainty as to when the Government J10a scheme could be delivered or how it could be funded.
- 19. Provisional cost estimates of the SELEP J10a scheme suggest it will cost around £36 million to deliver of which £19.7million has been provisionally awarded by the SELEP LTB. AXA/DMI have indicated that they would be willing to help to fund the delivery of the scheme through a combination of SPG6 contributions and 'marriage' values involved in the engineering of the scheme which they would have to undertake in any event to deliver their own site. Discussions are underway as to how best to fund the remaining gap but any remaining funding that may be needed is likely to be drawn from SPG6 contributions (and CIL in future).
- 20. The SELEP funding is conditional on the money being spent by 2019 and so it is important that any programme for delivering the scheme ensures the junction is open by early 2019 at the latest. Although this is a relatively tight programme with little scope for slippage, KCC officers have drawn up a project programme that would see the scheme delivered in late 2018.

Risk Assessment

- 21. There are a range of 'risk' issues that need to be taken into account in reaching a preferred position on this issue. These broadly fall into the categories of delivery, cost and traffic impact.
- 22. If no Junction 10a can be brought forward, then the existing junction 10 will gradually reach its notional traffic capacity as committed developments are built out. There are occasional episodes of significant congestion now and these could be expected to increase in frequency and magnitude without any solution in sight. The Council's ability to grant new planning permissions in the area would be severely restricted and this may have consequences for the economic health of the borough. This would also have a very significant impact on the nature and pattern of development that the council could seek to deliver through the new Local Plan, potentially meaning that more development in less suitable or sustainable locations may have to be contemplated. Therefore, the status quo position brings significant risks.
- 23. The main issues between the SELEP and Government J10a schemes lies in their respective costs and their certainty of delivery against the extra capacity they would generate. Taken against these criteria, the SELEP-funded scheme appears to be both much more affordable and deliverable, whilst the traffic modelling work carried out for the HA suggests that it would have adequate capacity to release existing planning permissions and support all necessary

- growth in a new Local Plan to 2030. It is only beyond 2030 that the SELEP scheme may be inadequate to serve future growth.
- 24. For both schemes, an element of repayment to forward funders may be necessary as a means of ensuring that sufficient funds are committed in advance of taking the scheme forward. Some funds will be available in the SPG6 package fund but these will need to be supplemented by future income from Section 106 Agreements and / or CIL. The greater the forward funding required, the greater the potential exposure to the future virement of CIL receipts to this project. As it stands, this is likely to be greater (possibly significantly greater) with the funding of the Government J10a scheme where the overall scheme costs and percentage of developer funding is uncertain.

Policy Implications

- 25. The deliverability of a Junction 10a scheme will be crucial in establishing the council's ability to deliver the growth strategy of its choice. A Local Plan Inspector will require evidence to show how and when a Junction 10a scheme will be delivered, including how it is intended to fund it, if the council's growth strategy is to be reliant on it coming forward. Without sufficient evidence, the Inspector could find the Plan unsound or propose less acceptable alternatives as a means of making the Plan sound. Hence, in policy-making, the greater the certainty over the deliverability of the junction the better
- 26. In a Development management context, there are limitations on what decisions the council may wish to take on planning applications where there is insufficient likelihood of infrastructure being available. Whilst the council has previously granted planning permissions against a future Junction 10a through the use of Grampian-style conditions (i.e. restricting what can be occupied prior to the completion of the junction), this is not particularly desirable for developers and can affect their ability to market their site and could be challenged if there was no realistic prospect of delivery. So, here again, the option that generates the most certainty in delivery should be preferred.

Conclusion

- 27. The key role that Junction 10a has in the future development of Ashford cannot be doubted. A continuation of the current situation will only see the existing junction become more congested as time goes by to the detriment of Ashford's residents and businesses. Therefore, finding a deliverable solution seems to be fundamental in helping to resolve this problem before it gets worse.
- 28. Although concerns have been raised about the capacity of the SELEP-funded option, the independent technical analysis undertaken indicates that it would have adequate capacity to relieve existing congestion and allow new development to come forward for several years to come potentially to 2030. On this basis, the SELEP-funded scheme should be seen as the initial phase of the longer-term Government scheme for Junction 10a which will be required at some stage in the future. The design of the SELEP-funded scheme specifically allows for its future 'upgrading' to the Government

- scheme and so the choice need not be seen as being between one or the other but more about what can be delivered when.
- 29. In that context, the clear evidence is that the SELEP scheme can be delivered on the ground by early 2019. There is no such confidence in the Government scheme which would cost significantly more and almost certainly require more private sector investment up-front. The pragmatic solution is to support, in principle, the SELEP-funded Junction 10a scheme as a means of delivering additional motorway junction capacity in the short to medium term. This will enable planned development to come forward which itself will generate Section 106 contributions / CIL payments that will be able to be banked towards the eventual delivery of the comprehensive Government J10a scheme in the future when sufficient funds have accrued. This approach will enable the council to continue planning effectively for the growth of Ashford and to manage the consequent traffic growth pending the delivery of a long term solution.

Portfolio Holder's Views (CIIr Robey)

30. The ability to achieve enough junction capacity at Junction 10 to enable the council's growth aspirations to come to fruition has been a thorn in the side of Ashford for a long time. The SELEP has recognised the strategic importance of Junction 10a and are willing to provide nearly £20m to help deliver it. So, at last, there is a realistic opportunity to deliver a Junction 10a scheme that can alleviate this problem for the foreseeable future and which will provide enough time and resources to bring forward the eventual long term solution. I endorse the conclusions of the report and support the recommendations.

Portfolio Holder's Views (CIIr Galpin)

- 31. The Council has already identified that Junction 10a is one of the "Big Eight" projects to progress. The clarity of the argument for the Steer Davies Gleave model has been clear enough to secure financial support from SELEP. In addition, the importance of the project to the County as a whole is recognised in the Kent and Medway Growth Deal as a priority. This forms part of the South East LEP Growth Plan
- 32. It is worthy of note that the existing Local Development Framework would be rated unsound if it lacked a programmed J10a.
- 33. Without the SDG model J10a and the capacity it releases for traffic, significant job and housing creation in the Borough would be postponed indefinitely until a far larger funding pot could be secured. I therefore have no hesitation in supporting the recommendations of this report.

Contact: Simon Cole - 01233 330642

Email: simon.cole@ashford.gov.uk

SE LEP Scheme – junction 10a

- A new two way 40mph single carriageway
- On and off slip roads built on the M20 in the direction of Folkestone
- New signal controlled junction with direct connection to the Sevington site
- New signal controlled junctions between the link road and the A2070.



