

A30 Chiverton to Carland Cross TR010026

4.2 FUNDING STATEMENT

Planning Act 2008

APFP Regulation 5(2)(h)
Infrastructure Planning (Applications: Prescribed
Forms and Procedure) Regulations 2009

Volume 4

August 2018

Infrastructure Planning

Planning Act 2008

**The Infrastructure Planning
(Applications: Prescribed Forms and
Procedure) Regulations 2009**

**A30 Chiverton to Carland Cross
Development Consent Order 201[x]**

4.2 FUNDING STATEMENT

Regulation Number:	Regulation 5(2)(h)
Planning Inspectorate Scheme Reference	TR010026
Application Document Reference	4.2
Author:	A30 Chiverton to Carland Cross Project Team, Highways England

Version	Date	Status of Version
Rev: C01	24/08/18	Application Issue

Table of Contents

	Pages
1 Introduction	1
1.1 Purpose of document	1
2 Capital Expenditure	2
2.1 Capital Cost	2
3 Sources of Funding	3
4 Blight	4
Appendices	i
Appendix A Extracts from the Road Investment Strategy 2015-2020	i
Appendix B Extract from Highways England Delivery Plan published 2015	i
Appendix C Extract from Highways England Delivery Plan Update published 2016	i
Appendix D Extract from European Regional Development Fund Operational Programme 2014 to 2020	i

Table of Figures

Figure A-1 Page 47, Road Investment Strategy 2015-2020	i
Figure A-2 Page 55, Road Investment Strategy 2015-2020	ii
Figure B-1 Page 68, Highways England Delivery Plan 2015-2020	i
Figure C-1 Page 44, Highways England Delivery Plan 2016-2017	i
Figure D-1 Page 170, European Regional Development Fund Operational Programme 2014-2020	i

1 Introduction

1.1 Purpose of document

- 1.1.1 This Funding Statement ("this Statement") relates to an application made by Highways England (the "Applicant") to the Planning Inspectorate under the Planning Act 2008 (the "2008 Act") for a Development Consent Order ("DCO"). If made, the DCO would grant consent for the Applicant to undertake the A30 Chiverton to Carland Cross scheme (the "scheme").
- 1.1.2 The purpose of this document is to demonstrate that the scheme is adequately funded and therefore that funding is no impediment to the delivery of the scheme or the payment of compensation to persons affected by compulsory acquisition, temporary possession, or a blight claim.
- 1.1.3 This Statement has been prepared and submitted in compliance with Regulation 5(2)(h) of the Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009 (the "2009 Regulations") and in accordance with the Department for Communities and Local Government guidance 'Planning Act 2008: Guidance related to procedures for compulsory acquisition' (September 2013).
- 1.1.4 This Statement is required as the DCO would authorise the compulsory acquisition of land, interests in land or rights over land. This leads to the requirement under Regulation 5(2)(h) for a statement indicating how the implementation of these powers in the DCO would be funded.
- 1.1.5 As this Statement is part of the application documents it should be read alongside, and is informed by, the other application documents; in particular, the Statement of Reasons (Application document 4.1), which is also included in the application to comply with the requirements of Regulation 5(2)(h).
- 1.1.6 A detailed description of the scheme can be found in the 'Introduction to the Application' (Application document 1.3).

2 Capital Expenditure

2.1 Capital Cost

- 2.1.1 The scheme has a most-likely estimate of £271 million. This estimate includes all costs to deliver the scheme from Options Stages through to the opening for traffic. It includes an allowance for compensation payments relating to the compulsory acquisition of land interests in, and rights over, land and the temporary possession and use of land. It also takes into account potential claims under Part 1 of the Land Compensation Act 1973, Section 10 of the Compulsory Purchase Act 1965 and Section 152(3) of the 2008 Act.
- 2.1.2 The estimates for these items have been informed by land referencing activities, engagement of professional surveyors, and information received from consultation and engagement with parties having an interest in the land.
- 2.1.3 Highways England has been, and will continue to be, responsible for all preparation costs associated with the scheme. These may include items such as design costs, legal costs, land acquisition costs, advance payments to statutory undertakers and surveying costs.
- 2.1.4 The estimate has been prepared in accordance with Highways England procedures and, in combination with the approved budget, provides sufficient cost certainty to enable the Applicant to confirm the viability of the scheme.

3 Sources of Funding

- 3.1.1 Highways England is a government owned company and is responsible for operating, maintaining and improving the strategic road network in England. These responsibilities include the acquisition, management and disposal of land and property in relation to strategic road network improvement projects, together with the payment of compensation related to these activities. Highways England is responsible for delivering the major projects in the Roads Improvement Strategy (“RIS”)¹.
- 3.1.2 The Government published the RIS on 1 December 2014, which is underpinned by legislation following the Infrastructure Bill receiving Royal Assent on 12 February 2015 and the creation of Highways England on 1 April 2015. The RIS provides certainty of Government funding with over £15 billion to be invested in major roads between 2015/16 and 2020/21. The scheme was announced in the RIS as a committed scheme subject to other contributions (Appendix A).
- 3.1.3 The funding commitment was reiterated in the Highways England Delivery Plan 2015 to 2020² which was published in March 2015 (**Appendix B**) and subsequent delivery plan update published 2016 (**Appendix C**).
- 3.1.4 In addition to the funding stated above, £20 million has been allocated to the scheme through the European Regional Development Fund. The funding is currently allocated as £8 million to support the development phase of the scheme, with a further £12 million contribution to the construction phase. This funding for the scheme was committed in the European Regional Development Fund Operational Programme 2014 to 2020³ published in 2015 (**Appendix D**).
- 3.1.5 The Government and Highways England commitments set out above demonstrate that the scheme will be fully funded, mainly by the Department for Transport and partly by contributions from the European Regional Development Fund.

¹https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/408514/ris-for-2015-16-road-period-web-version.pdf

²https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/424467/DSP2036-184_Highways_England_Delivery_Plan_FINAL_low_res_280415.pdf

³https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/682699/European_Regional_Development_Fund_OP_Nov_2017.pdf

4 Blight

- 4.1.1 The term 'blight' refers to the reduction of economic activity or property values in a particular area resulting from possible future development, or restriction of development. Blight notices may be served on the Applicant by those with a qualifying interest in affected land.
- 4.1.2 To date three blight notices have been served of which all three have been deemed valid claims and have been paid/are due to be paid. The cost of meeting these claims has been met by Highways England.
- 4.1.3 Should any future claims for blight arise as a consequence of the proposed compulsory acquisition of land, or rights in land, affected by the scheme, the costs of meeting any valid claim will be met by Highways England.
- 4.1.4 The full value of the land cost estimate for the A30 Chiverton to Carland Cross scheme was released to the Programme Delivery Director following approval on 12 June 2018 by Highways England's Major Projects Investment Decision Committee.

Appendices

Appendix A Extracts from the Road Investment Strategy 2015-2020

Appendix B Extract from Highways England Delivery Plan published 2015

Appendix C Extract from Highways England Delivery Plan published 2016

Appendix D Extract from European Regional Development Fund Operational Programme 2014 to 2020

Appendix A Extracts from the Road Investment Strategy 2015-2020

South West

Schemes committed subject to other contributions

- **A30 Temple to Higher Carblake** – upgrading the A30 to dual carriageway at the remaining single carriageway section north of Bodmin, connecting together the existing high-quality dual carriageway.
- **A30 Chiverton to Carland Cross** – upgrading the A30 to dual carriageway north of Truro, connecting together the dual carriageway section around Bodmin with the dual carriageway Redruth bypass. Coupled with the Temple to Higher Carblake scheme and smaller-scale safety enhancements on the route, this improves the A30 to a consistent Expressway standard from Camborne to the M5.

Newly announced in this Investment Plan

- **M49 Avonmouth junction** – creation of a new junction on the M49 to support development at Avonmouth.
- **M5 Bridgwater junction** – improvement of junction 23 through enhanced slip roads and more capacity on the junction itself.
- **A303 Amesbury to Berwick Down** – construction of a twin-bored tunnel of at least 1.8 miles as the road passes Stonehenge, coupled with a dual carriageway bypass for Winterbourne Stoke to link the existing dual carriageway section around Amesbury with the dual carriageway at Berwick Down.

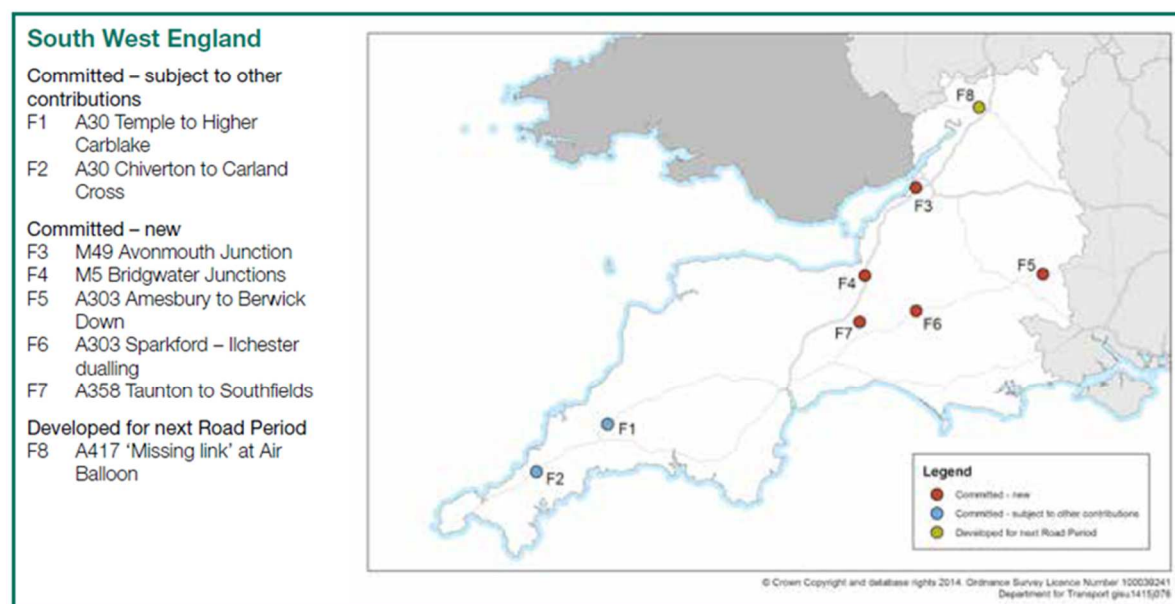


Figure A-1 Page 47, Road Investment Strategy 2015-2020

Investing to achieve our vision – network interventions

The Performance Specification sets out what we want from the network during the first Road Period. The Investment Plan, on the other hand, outlines how the Company will turn our intentions into reality by delivering performance improvements in the short term.

Investment announced prior to the first RIS

Government has already announced, and is delivering, a substantial level of investment in the SRN. Investments include nine schemes to help develop a 145 mile 'smart spine' linking London, Birmingham and the North West. Schemes will also improve critical freight routes, such as the £1.5 billion A14 schemes and improvements to the M6 in Cheshire. In addition, £6 billion has been set aside to resurface 80% of the SRN and keep our network in top condition.

Investment announced as part of the first RIS

The Investment Plan for this RIS announces the next round of investment. 69 schemes will enter construction in the first Road Period across every region of England to improve safety, ease congestion, unlock growth, and begin the process of upgrading our most important A-roads to Expressways. Highlights include:

- Schemes to help seven major ports and five major airports
- Completing the dual carriageway from Milton Keynes to Cambridge
- Dualling the A30 in Cornwall.

A further 15 schemes have been announced for the second Road Period, including upgrading the A1 in Yorkshire to motorway standard and completing Smart Motorway connections across the Pennines.

The package of investment also contains the outcomes of the six feasibility studies conducted into some of the longest standing and most notorious hotspots on the network. In total, we have committed to over 20 proposals across the six feasibility study areas, and made some longer term commitments to further work in some areas. Commitments from the studies include:

- Transforming connectivity to and from the South West by dualling the entire A303 from the M3 to the M5 at Taunton, and building a tunnel as the road passes Stonehenge
- A new bypass on the A27 at Arundel together with on-line improvements at Worthing and Lancing
- Dualling the A1 north of Newcastle between Morpeth and Ellingham
- Widening schemes on the A1 Newcastle-Gateshead Western Bypass
- Construction of the Mottram Moor Link road together with overtaking and safety improvements and dualling the A61 to improve Trans-Pennine connectivity
- A range of dualling and junction improvement schemes on the A47/A12 corridor supporting growth at Peterborough, Norwich, Great Yarmouth, and Lowestoft

Figure A-2 Page 55, Road Investment Strategy 2015-2020

Appendix B Extract from Highways England Delivery Plan published 2015

Major Improvements Investment Plan

Scheme Schedule 2015-20

Number on Map	Schemes already in construction
1	A556 Knutsford to Bowdon
2	A1 Coal House to Metro Centre
3	A1 Leeming to Barton
4	M1 Junctions 28-31
5	A453 Widening
6	A14 Kettering bypass widening
7	M1 Junction 19 improvement
8	A45-A46 Tollbar End
9	A5/M1 J11a Link
10	M25 Junction 30
11	M6 Junctions 10a-13
12	A30 Temple to Carblake ¹
13	M1 Junctions 32-35A
14	M1 Junctions 39-42
15	M60 Junction 8 to M62 Junction 20: Smart Motorway
16	M3 Junctions 2-4A
Number on Map	Schemes announced in June 2013 and due to start construction by end 2019/20
17	A160/A180 Immingham
18	A21 Tonbridge to Pembury
19	M1 Junctions 13-19
20	M5 Junctions 4A-6
21	M6 Junctions 16-19
22	A14 Cambridge to Huntingdon
23	M20 Junction 10a
24	A19/A1058 Coast Road
25	M4 Junctions 3-12
26	A63 Castle Street
27	M1 Junctions 24-25
28	M6 Junctions 2-4
29	M6 Junctions 13-15
30	M20 Junctions 3-5
31	M23 Junctions 8-10
32	M27 Junctions 4-11
33	M6 Junctions 21A-26
34	M60 Junctions 24-27 & J1-4
35	A19 Testos
36	M54 to M6 / M6 toll
37	A27 Chichester Bypass
38	A38 Derby Junctions
39	A2 Bean & Ebbsfleet
40	M62 Junctions 10-12
41	M56 Junctions 6-8
42	M3 Junctions 9-14
Number on Map	Schemes announced in December 2014 and due to start construction by end 2019/20
43	A19 Down Hill Lane junction improvement
44	A19 Norton to Wynyard
45	A1 & A19 Technology enhancements
46	M1 Junction 45 Improvement
47	M621 Junctions 1-7 improvements
48	M62/M606 Chain Bar
49	M62 Junctions 20-25
50	A585 Windy Harbour - Skipool
51	A5036 Princess Way - Access to Port of Liverpool
52	M6 Junction 22 upgrade
53	M53 Junctions 5-11
54	M56 new Junction 11A
55	M6 Junction 19 Improvements
56	A500 Etruria widening
57	M1 Junctions 23A-24
58	M6 Junction 10 improvement
59	A5 Dodwells to Longshoot widening
60	M42 Junction 6
61	A46 Coventry junction upgrades
62	M40/M42 interchange Smart Motorways
63	A45/A6 Chowns Mill junction improvement
64	M5 Junctions 5, 6 & 7 junction upgrades
65	A43 Abthorpe Junction
66	A428 Black Cat to Caxton Gibbet
67	M11 Junctions 8 to 14 - technology upgrade
68	A12 Chelmsford to A120 widening
69	A12 whole-route technology upgrade
70	A1(M) Junctions 6-8 Smart Motorway
71	M11 Junction 7 junction upgrade
72	A34 Oxford Junctions
73	A34 Technology enhancements
74	M25 Junction 25 improvement
75	M25 Junction 28 improvement
76	M4 Heathrow slip road
77	M2 Junction 5 improvements
78	M25 Junctions 10-16
79	M25 Junction 10/A3 Wisley interchange
80	M3 Junction 9 improvement
81	M3 Junction 10-11 improved sliproads
82	M3 Junctions 12-14 improved sliproads
83	M27 Southampton Junctions
84	M271 / A35 Redbridge roundabout upgrade
85	A31 Ringwood
86	M49 Avonmouth Junction
87	M5 Bridgwater Junctions
88	A52 Nottingham junctions
89	A14 Junction 10a
90	A5 Towcester Relief Road
91	A30 Chiverton to Carland Cross
Number on Map	Schemes identified following the outcomes from the six feasibility studies
92	A1 North of Ellingham
93	A1 Morpeth to Ellingham dualling
94	A1 Scotswood to North Brunton
95	A1 Birtley to Coal House widening
96	A628 Climbing Lanes
97	A61 Dualling
98	Mottram Moor link road
99	A57(T) to A57 Link Road
100	A47 North Tuddenham to Easton
101	A47 Blofield to North Burlingham dualling
102	A47 Acle Straight
103	A47 & A12 junction enhancements
104	A47/A11 Thickthorn Junction
105	A47 Guyhirn Junction
106	A47 Wansford to Sutton
107	A27 Arundel Bypass
108	A27 Worthing and Lancing improvements
109	A303 Amesbury to Berwick Down
110	A303 Sparkford - Ilchester dualling
111	A358 Taunton to Southfields
Number on Map	Schemes contributing to investment with local authorities
112	A50 Utttoxeter

¹Scheme is being delivered by Cornwall County Council and is partly funded by Highways England.

Figure B-1 Page 68, Highways England Delivery Plan 2015-2020

Appendix C Extract from Highways England Delivery Plan Update published 2016

Updated scheme schedule 2015-2020						
Map Ref	Scheme	Region	Programme			
			Start of works		Open for traffic	
			Commit	Status	Commit	Status
66	A428 Black Cat to Caxton Gibbet	East	2019-20			
67	M11 junctions 8-14 – technology upgrade	East	2019-20			
68	A12 Chelmsford to A120 widening	East	2019-20			
69	A12 whole-route technology upgrade	East	2019-20			
70	A1(M) junctions 6-8 smart motorway	East	2019-20			
71	M11 junction 7 – junction upgrade	East	2019-20			
72	A34 Oxford junctions	South East and London	2019-20			
73	A34 technology enhancements	South East and London	2019-20			
74	M25 junction 25 improvement	South East and London	2019-20			
75	M25 junction 28 improvement	South East and London	2019-20			
76	M4 Heathrow slip road	South East and London	2019-20			
77	M2 junction 5 improvements ⁵¹	South East and London	2019-20			
78	M25 junctions 10-16	South East and London	2019-20			
79	M25 junction 10/A3 Wisley interchange	South East and London	2019-20			
80	M3 junction 9 improvement	South East and London	2019-20			
81	M3 junction 10-11 improved sliproads	South East and London	2019-20			
82	M3 junctions 12-14 improved sliproads	South East and London	2019-20			
83	M27 Southampton junctions	South East and London	2019-20			
84	M271/A35 Redbridge roundabout upgrade	South East and London	2019-20			
85	A31 Ringwood	South East and London	2019-20			
86	M49 Avonmouth junction ⁵²	South West	2019-20			
87	M5 Bridgwater junctions ⁵³	South West	2019-20		2017-18 Q3	
88	A52 Nottingham junctions	Midlands	2019-20			
89	A14 junction 10a	Midlands	2019-20			
90	A5 Towcester relief road	Midlands	2019-20			
91	A30 Chiverton to Carland Cross	South West	2019-20			
92	A1 North of Ellingham ⁵⁴	Yorkshire and North East	2019-20			
93	A1 Morpeth to Ellingham dualling	Yorkshire and North East	2019-20			
94	A1 Scotswood to North Brunton	Yorkshire and North East	2019-20			
95	A1 Birtley to Coal House widening	Yorkshire and North East	2019-20			
96	A628 climbing lanes	Yorkshire and North East	2019-20			
97	A61 dualling	Yorkshire and North East	2019-20			
98	Mottram Moor link road	North West	2019-20			

Figure C-1 Page 44, Highways England Delivery Plan 2016-2017

Appendix D Extract from European Regional Development Fund Operational Programme 2014 to 2020

Under this investment priority, actions to be supported by European Regional Development Fund will be:

- Targeted investment in the Comprehensive TEN-T road network, namely enhancements to the A30 to alleviate congestion at a key bottleneck between Carland and Chiverton Cross. This key bottleneck constrains capacity for a 12.5km stretch in the central road corridor of the Less Developed Region. Investment to remove this bottleneck will enable economic growth and investment in expanding areas and key towns maximising the impact of existing and future EU investments and increasing productivity through improving journey times and through supporting sustained business growth across Cornwall and on the Isles of Scilly. The road investment will equally support job creation and labour mobility for a number of key towns that adjoin this stretch of road;
- Targeted investment in the Comprehensive TEN-T rail network, namely improvements to signalling infrastructure on the mainline.

These investments in strategic transport infrastructure will be complemented by investments under investment priority 7c that foster environmentally-friendly and low-carbon transport and catalyse more sustainable and multi-modal transport for users of the A30 and the main railway line as well as a shift to more sustainable modes of transport such as public transport, rail services and cycling.

2.A.2.2 The Guiding principles for the selection of operations

Transport schemes can play an important role in promoting economic development and are necessary to complement other growth investments (past and future). The specific investments in transport under this investment priority will need to demonstrate that they are addressing significant and evidenced bottlenecks, for example for business, commuter and holiday traffic.

The local impact should be a major feature of any successful investment, but there will also need to be a demonstration of how access to and from the rest of the UK will be enhanced.

There should be an expectation that investment will leverage additional private sector investments, whether directly or indirectly through helping attract inward investment into the area because of its improved connectivity.

All applicable law should be complied with. Any public support under this Programme must comply with the procedural and material State aid rules applicable at the point of time when the public support is granted. Projects must also demonstrate compliance with appropriate environmental legislative requirements, including environmental impact assessments where needed.

Cornwall Council will be designated as an Intermediate Body and will have responsibility for certain tasks relating to the selection of operations that meet local priorities in relation to the Operational Programme and local ESI Funds Strategy. In exercising this responsibility, it will take account of the guiding principles set out

Figure D-1 Page 170, European Regional Development Fund Operational Programme 2014-2020

If you need help accessing this or any other Highways England information, please call **0300 123 5000** and we will help you.