

A303 Sparkford to Ilchester Dualling Scheme

TR010036

4.2 Funding Statement

APFP Regulation 5(2)(h)
Planning Act 2008
Infrastructure Planning (Applications: Prescribed
Forms and Procedure) Regulations 2009
April 2019



Infrastructure Planning

Planning Act 2008

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

A303 Sparkford to Ilchester Dualling Scheme

Development Consent Order 201[x]

FUNDING STATEMENT

Regulation Number:	Regulation 5(2)(h)
Planning Inspectorate Scheme Reference	TR010036
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Version	Date	Status of Version
Rev 0	July 2018	Application Issue
Rev 1	April 2019	Deadline 5 Issue, following the Examining Authority's decision to accept the material change request into the examination

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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 A303 Sparkford to Ilchester Dualling 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 due to the fact that 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.

1.2 Related documents

- 1.2.1 Revision 0 of this Funding Statement (APP-021) was submitted as part of the DCO Application in July 2018.
- 1.2.2 In February 2019 a request to make a material change to the application was submitted and as part of this application the document Funding Statement – Addendum 1 (OD-006) was submitted.
- 1.2.3 Following the Examining Authority's decision to accept the material change request into the examination in March 2019, both versions of the Funding Statement mentioned above (APP-021 and OD-006) are now superseded by this version of the Funding Statement (Revision 1).
- 1.2.4 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 (document reference 4.1, Volume 4, Revision 2, submitted as part of Deadline 5), which is also included in the application to comply with the requirements of Regulation 5(2)(h).
- 1.2.5 A detailed description of the scheme can be found in the Introduction to the Application (APP-001).

2 Capital Expenditure

2.1 Capital Cost

- 2.1.1 The scheme has a most-likely estimate of £171 million. This estimate includes all costs to deliver the Scheme from the options stages through to the end of construction and close-out. 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 Investment Strategy (RIS).
- 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 / 2016 and 2020 / 2021. The scheme was announced in the RIS as a committed and therefore funded scheme. Extracts of the RIS can be found in Appendices A and B.
- 3.1.3 The funding commitment was reiterated in the Highways England Delivery Plan 2015- 2020 which was published in March 2015 and subsequent delivery plans 2016-2017 and 2017-2018. Extracts of the Delivery Plans can be found in Appendices C, D and E.
- 3.1.4 The Government and Highways England commitments as set out above demonstrate that the Scheme will be fully funded by the Department for Transport and consequently the Scheme is not dependant on funding contributions from other parties.
- 3.1.5 The Scheme is being developed as part of improvements to the A303 / A30 / A358 corridor. Two other schemes are currently being developed, A358 Taunton to Southfields Dualling and A303 Amesbury to Berwick Down. Each scheme has an independent funding stream and are not dependent on each other.

4 Blight

- 4.1.1 Blight is the depressing effect on property value of certain public sector actions and decisions. In the context of DCOs it is the diminution of a property's value due to proposals which imply compulsory acquisition of the property will take place in the future. The owner of land which is threatened with compulsory acquisition will not be able to sell that property for its full value on the open market.
- 4.1.2 A long period can elapse between the announcement of development proposals requiring compulsory acquisition and the final acquisition of the required land. During that period affected owners are able to use their land but the marketability of it and the value they could receive on sale is reduced. This will negatively affect owners who may wish to sell during the period before compulsory acquisition is finalised as their property value is lowered but they are not yet eligible for compensation. In such cases (and subject to conditions) such owners can serve a "blight notice" requiring Highways England as acquiring authority to purchase the property ahead of the proposed compulsory acquisition.
- 4.1.3 A blight notice can only be served in respect of the blighted land, in this case the land included in compulsory acquisition provisions of the DCO, not other land which may also be depreciated by scheme. A blight notice will however include all of an owner's interest in the land, even where that land interest is larger than the part of the property affected by compulsory acquisition. To date no blight notices have been served in respect of the Scheme.
- 4.1.4 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.

Appendices

Appendix A - Extract from Road Investment Strategy: Overview, Department for Transport, December 2014

Appendix B - Extract from Road Investment Strategy: Overview, Department for Transport, December 2014

Appendix C - Extract from Highways England Delivery Plan 2017-2018, Department for Transport, October 2017

Appendix D - Extract from Highways England Delivery Plan 2016-2017, Department for Transport, July 2016

Appendix E - Extract from Highways England Delivery Plan 2015-2020, Department for Transport, March 2015

**Appendix A – Extract from Road Investment Strategy: Overview,
Department for Transport, December 2014**

The A303/A30/A358 corridor

The A303/A30/A358 corridor is a vital connection between the South West and London and the South East. While the majority of the road has been dualled, there are still over 35 miles of single carriageway. These sections act as bottlenecks for users of the route resulting in congestion, particularly in the summer months and at weekends, delays to traffic travelling between the M3 and the South West and an increased risk of accidents. The A303 passes through the Stonehenge World Heritage Site, separating the iconic stones from other Scheduled Monuments and severely limiting the enjoyment of the wider site. Further west the road passes through the Cranborne Chase and Blackdown Hills AONB.

We recognise the damage that the existing road does to the setting of numerous Scheduled Monuments and Stonehenge itself, and so we intend to construct a tunnel at least 1.8 miles long to take traffic away from the surface, reuniting the landscape of the World Heritage Site.

We intend to upgrade all remaining sections of the A303 between the M3 and the A358 to dual carriageway standard, together with creating a dual carriageway link from M5 at Taunton to the A303, as part of a long-term commitment to creating a new Expressway to the South West.

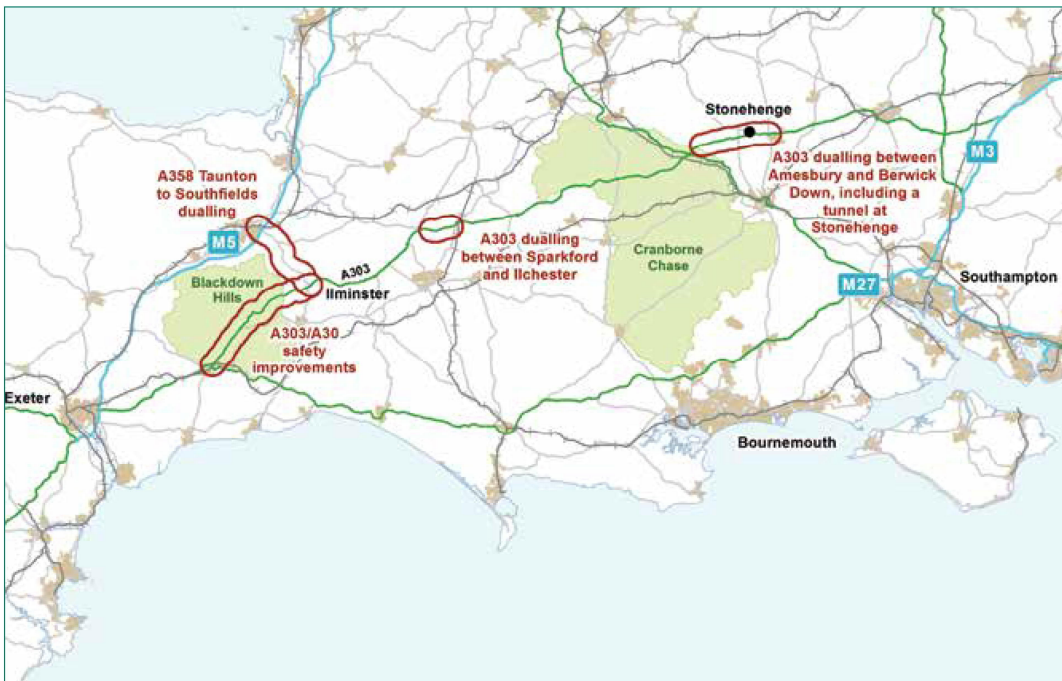
We intend to start this process with three major improvements, as part of a total A303/A30/A358 corridor package of commitments worth £2 billion:

- **A303 Amesbury to Berwick Down dualling** – construction of a twin-bored tunnel at least 1.8 miles long as the road passes Stonehenge and a bypass for Winterbourne Stoke to link the existing dual carriageway section around Amesbury with the dual carriageway at Berwick Down.
- **A303 Sparkford to Ilchester dualling** – dualling of the 3 mile single carriageway section of the A303 between Sparkford and Ilchester.
- **A358 Taunton to Southfields dualling** – creating a dual carriageway link from the M5 at Taunton to the A303.

We will also set aside funding for smaller-scale improvements to the A303/A30 section between Southfields and Honiton to improve safety and journey quality for road users recognising that large scale improvements would be challenging given the protected landscape and topography surrounding the route. This includes some small-scale work in the Blackdown Hills AONB which will take account of the environmental sensitivity of the area.

Taken together, this long-term programme will transform this route into an Expressway to the South West. Full implementation of these proposals will run beyond the first Road Period, and we intend that subsequent Road Investment Strategies will fund the remaining improvements.

Outcomes from the A303/A30/A358 corridor feasibility study



Appendix B – Extract from Road Investment Strategy: Overview, Department for Transport, December 2014

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.

South West England

Committed – subject to other contributions

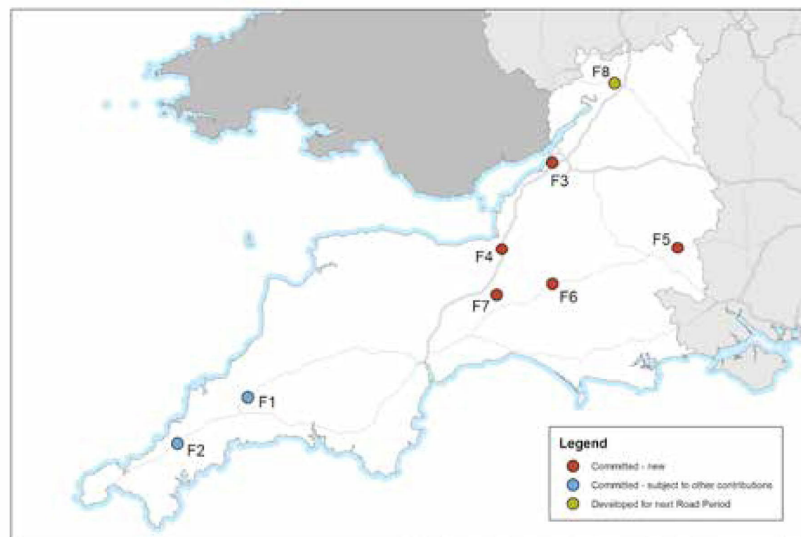
- F1 A30 Temple to Higher Carblake
- F2 A30 Chiverton to Carland Cross

Committed – new

- F3 M49 Avonmouth Junction
- F4 M5 Bridgwater Junctions
- F5 A303 Amesbury to Berwick Down
- F6 A303 Sparkford – Ilchester dualling
- F7 A358 Taunton to Southfields

Developed for next Road Period

- F8 A417 'Missing link' at Air Balloon



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- **A303 Sparkford – Ilchester dualling**
– dualling of a single carriageway section of the A303, linking together the Sparkford and Ilchester bypasses.
- **A358 Taunton to Southfields** –
creating a dual carriageway link from the M5 at Taunton to the A303 incorporating upgraded stretches of the existing road into the strategic road network where appropriate.

Schemes developed for the next roads period

- **A417 ‘missing link’ at Air Balloon improvement** – connection of the two dual carriageway sections of the A417 near Birdlip in Gloucestershire, taking account of both the environmental sensitivity of the site and the importance of the route to the local economy.

Appendix C – Extract from Highways England Delivery Plan 2017-2018, Highways England, October 2017

A303 Sparkford to Ilchester Dualling Scheme Funding Statement

Updated scheme schedule 2015-2020						
Map Ref	Scheme	Region	Programme			
			Start of works		Open for traffic	
			Commit	Status	Commit	Status
85	A31 Ringwood	South East and London	2019-20			
86	M49 Avonmouth junction	South West	2019-20			
87	M5 Bridgwater junctions	South West	2019-20			
88	A52 Nottingham junctions ⁴¹	Midlands	2019-20	Started		
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	North East and Yorkshire	2019-20			
93	A1 Morpeth to Ellingham dualling	North East and Yorkshire	2019-20			
94	A1 Scotswood to North Brunton	North East and Yorkshire	2019-20			
95	A1 Birtley to Coal House widening	North East and Yorkshire	2019-20			
96	A628 climbing lanes	North East and Yorkshire	2019-20			
97	A61 dualling	North East and Yorkshire	2019-20			
98	Mottram Moor link road	North West	2019-20			
99	A57(T) to A57 link road	North West	2019-20			
100	A47 North Tuddenham to Easton	East	2019-20			
101	A47 Blofield to North Burlingham dualling	East	2019-20			
102	A47 Acle Straight	East	2019-20	Started	2017-18 Q4	
103	A47 and A12 junction enhancements	East	2019-20			
104	A47/A11 Thickthorn junction	East	2019-20			
105	A47 Guyhirn junction	East	2019-20			
106	A47 Wansford to Sutton	East	2019-20			
107	A27 Arundel bypass	South East and London	2019-20			
108	A27 Worthing and Lancing improvements	South East and London	2019-20			
109	A303 Amesbury to Berwick Down	South West	2019-20			
110	A303 Sparkford – Ilchester dualling	South West	2019-20			
111	A358 Taunton to Southfields	South West	2019-20			
112	A50 Uttoxeter	Midlands	2015-16 Q3	Started	2018-19	

⁴¹ A52 Nottingham junctions – In order to deliver benefits ahead of schedule we taken the opportunity to deliver this programme of junction improvements in a phased approach. The first 2 junctions started in 2016-17. Completion of 2 of the remaining 9 junctions will be subject to achieving an appropriate value for money case.



Appendix D – Extract from Highways England Delivery Plan 2016-2017, Highways England, July 2016

A303 Sparkford to Ilchester Dualling Scheme Funding Statement

Updated scheme schedule 2015-2020						
Map Ref	Scheme	Region	Programme			
			Start of works		Open for traffic	
			Commit	Status	Commit	Status
99	A57(T) to A57 link road	North West	2019-20			
100	A47 North Tuddenham to Easton	East	2019-20			
101	A47 Blofield to North Burlingham dualling	East	2019-20			
102	A47 Acle Straight ⁵⁵	East	2019-20			
103	A47 and A12 junction enhancements	East	2019-20			
104	A47/A11 Thickthorn junction	East	2019-20			
105	A47 Guyhirn junction	East	2019-20			
106	A47 Wansford to Sutton	East	2019-20			
107	A27 Arundel bypass	South East and London	2019-20			
108	A27 Worthing and Lancing improvements	South East and London	2019-20			
109	A303 Amesbury to Berwick Down	South West	2019-20			
110	A303 Sparkford – Ilchester dualling	South West	2019-20			
111	A358 Taunton to Southfields	South West	2019-20			
112	A50 Uttoxeter ⁵⁶	Midlands	2015-16 Q3	Started	2018-19	

Where appropriate these will be subject to change control.

⁴² A30 Temple to Carblake – Highways England is contributing toward the cost of this scheme which is being delivered by Cornwall Council.

⁴³ A63 Castle Street – revised programme milestones progressing through change control with DfT.

⁴⁴ M54 to M6/M6 toll – programme commitments being reviewed following request by DfT to undertake further development work of the possible options.

⁴⁵ A1 and A19 technology enhancements – subject to completion of business case for this scheme, and associated detailed design, we are continuing to work towards an earlier start of works in 2016.

⁴⁶ M1 junction 45 improvement – we are continuing to target an earlier start of works in 2017.

⁴⁷ A5036 Princess Way – access to Port of Liverpool – although challenging, we are continuing to look at how we can start construction work on this project in 2019.

⁴⁸ A45/A6 Chowns Mill junction – detailed design is in progress and we are targeting to start works on site by the end of 2019.

⁴⁹ M5 junctions 5, 6 and 7 junction upgrades – we have been able to start work on this scheme early and have already completed improvements to junction 5 and 7.

⁵⁰ A43 Abthorpe junction – construction work for this scheme has already started which we now plan to complete in 2017-18.

⁵¹ M2 junction 5 improvements – our aim on this scheme is to start construction in 2019.

⁵² M49 Avonmouth junction – we anticipate being able to start construction work for this scheme earlier and are targeting 2017.

⁵³ M5 Bridgwater junctions – we plan to complete detailed design in 2016 and subject to the final business case, we anticipate a start of works in late 2016.

⁵⁴ A1 North of Ellingham – this scheme will be delivered as part of a programme of works on the A1 in Northumberland, elements of which we anticipate being able to start construction in 2018.

⁵⁵ A47 Acle Straight – following confirmation of the business case, we now expect to deliver safety improvements to this section of the A47 in 2016.

⁵⁶ A50 Uttoxeter – we are working with Staffordshire County Council to deliver these improvements.



Appendix E – Extract from Highways England Delivery Plan 2015-2020, Highways England, March 2015

Table 4: Next Steps for Feasibility Schemes

Feasibility Study	Activity	Year
A1 North of Newcastle	<ul style="list-style-type: none"> Commence further development and appraisal work on a range of options to inform consultation with key stakeholders. Initiate traffic and environmental surveys. 	2015
	<ul style="list-style-type: none"> Hold public exhibitions and consult on the proposals. 	2016
	<ul style="list-style-type: none"> Make recommendations on the preferred route for the A1 Morpeth to Ellingham dualling scheme. 	2017
	<ul style="list-style-type: none"> Start construction on the A1 North of Ellingham enhancements in advance of the dualling scheme. 	2018
A1 Newcastle-Gateshead Western Bypass	<ul style="list-style-type: none"> Develop the options for the A1 Birtley to Coalhouse scheme Engage early with Network Rail as the scheme includes proposals to replace Allerdene Bridge which crosses the East Coast mainline rail link Undertake environmental assessments of the potential impacts for both the A1 Birtley to Coalhouse and A1 Scotswood to North Brunton schemes. 	2015
	<ul style="list-style-type: none"> Consult with the public on the proposals. 	2016
A27 Corridor	<ul style="list-style-type: none"> Develop and assess a range of options to inform consultation with key stakeholders. Engage more widely with local stakeholders on the A27 bypasses at Arundel and Worthing / Lancing. For improvements east of Lewes, we will work with local enterprise partnerships and authorities to review long term growth plans and model future traffic demands in order to inform potential options. 	2015
	<ul style="list-style-type: none"> Further develop proposals and assess traffic and environmental impacts. 	2016
	<ul style="list-style-type: none"> Further and more detailed consultation on proposals for Arundel and Worthing / Lancing. Make recommendations on the preferred routes for these two schemes. 	2017
Trans-Pennine Routes	<ul style="list-style-type: none"> Develop design options in preparation for wider engagement, including initial assessments on environmental, traffic and economic impacts. 	2015
	<ul style="list-style-type: none"> Carry out environmental surveys and complete assessments. 	2016
	<ul style="list-style-type: none"> Present the higher performing options to the public through a consultation. 	2017
A47/A12 Corridor	<ul style="list-style-type: none"> Undertake more detailed development of the options, upgrade the eastern regional traffic model and start surveys to inform initial designs. Prepare the seven schemes into a single programme for consultation with stakeholders. 	2015
	<ul style="list-style-type: none"> Consult widely with the public on proposals. Subsequently, to make a recommendation on the preferred route. 	2016
	<ul style="list-style-type: none"> Start construction on this programme of improvements. 	2020
A303/A30/ A358 Corridor	<ul style="list-style-type: none"> Investigate and assess a range of options to understand traffic, environmental and economic impacts. Engage with key stakeholders throughout, including with English Heritage and National Trust. Widening out discussions with stakeholder in the second half of the year. 	2015
	<ul style="list-style-type: none"> Start public consultation on the A30 and A358 schemes. 	2016
	<ul style="list-style-type: none"> Aiming to make a recommendation on the preferred routes for the A30 and A358 schemes. 	2017
	<ul style="list-style-type: none"> For the A303, we expect to start a wider and public consultation on the scheme 	