

Letter to Westbury Town Council

18th April 2012

Dear Mr Harvey

Thank you for your letter of 16th March which Councillor Scott has asked me to reply to.

Firstly I would like to recap on the last application for a bypass, secondly outline the changed circumstances with regard to funding major highways projects the Government is introducing as part of its Localism agenda, and lastly to describe the process that Wiltshire Council expects to use to decide how the funds will be spent.

The last application

The planning application for the A350 Westbury bypass was submitted on 14 February 2007, on 16 May 2007 the former Wiltshire County Council was minded to grant conditional planning permission subject to the Secretary of State not wishing to call-in the application, the Secretary of State decided on a call in by a Direction made on 11 July 2007 under Section 77 of the Town and Country Planning Act 1990.

The Planning Inspectorate confirmed the start for a conjoined Planning and Orders Inquiry on 17 June 2008 which subsequently closed on 8 October 2008. The Inspector recommended that planning permission should be refused and that the Side Roads Order (SRO) and Compulsory Purchase Order (CPO) not be confirmed. The Inquiry Inspector's recommendation was accepted by the Secretary of State and the decision announced on 1 July 2009. In very general terms, the Inspector was not persuaded that the scale of the problem warranted the proposed solution, nor was he convinced by the economic argument.

Apart from the Inspector's rejection the case was not helped by changes at the regional level, whereby the now defunct Regional Assembly effectively downgraded the role of the A350 in its Regional Spatial Strategy.

The cost of developing the case for the bypass fell on Wiltshire County Council and was in the order of £4.5m which had to be written off by the Council. Had the bypass been approved by the Inspector the total scheme cost would have been £34.7m of which the County Council would have had to fund £3.7m. These figures are in 2009 prices.

Localism and funding major highways

There has always been far greater demand on the Department of Transport (DfT) budget than money available. What happened in the past was that Local Authorities would carry out costly detailed designs and justifications and submit them to the DfT. The DfT would then sift through them annually, put them in priority order and then allocate the available budget to the highest priority projects. The losers, and there were many of them, would be faced with having to write off the investments made in generating the proposal to the cost of the local taxpayers. Many considered this process to be an expensive lottery and, as with all lotteries, there were many more losers than winners.

More recently the Government set indicative funding allocations and then asked regions to set out a list of priorities within these allocations. This meant that each Local Authority had to do some work to get their schemes on the long-list to be considered at the regional level. Once prioritised at the regional level (and thereby usually gaining entry to the first stage of the DfT's approval process), the Local Authorities would need to undertake all the necessary detailed work to gain the required statutory powers such as planning permission. The effect

was the same as there was too little money for the number of schemes. In the case of the Westbury bypass it was on the regional list but failed due to the Inspector's decision.

There are no Wiltshire major road schemes listed in the DfT funding for the period up to 2015.

Beyond 2015 the system of funding will change. The DfT has issued a consultation paper on devolving the local transport major scheme budget. It proposes allocating funding to the local level from April 2015. The intention is that DfT will no longer play a part in selecting which major schemes are funded. The Department says this will cut the costs faced by local authorities of preparing business cases and responding to DfT queries. The risk of having to write off the cost of scheme development, should the scheme not go ahead, will remain with the Local Authority. The DfT plans to issue an indicative range of funding in August, but the significance is that funding will be devolved on a pro rata basis - likely to be population based. If this were to be the case our best estimate is that Wiltshire would be allocated about £4m annually but this could be less if more monies are allocated to National schemes such as trunk roads and motorways.

How will funds be spent?

In terms of the mechanics, DfT are proposing the setting up of new "Local Transport Bodies", based on Local Enterprise Partnership (LEP) geography. For us, that means a body developed for Wiltshire and Swindon. These bodies will have to submit proposals on governance, financial management and delivering value for money to the Department by the end of this year. Once established, they will be required to set and declare their prioritised investment programme by April 2013, with a view to spending in 2015 and beyond. It should be noted that the prime objective of the LEP is economic development and in consequence they will wish to prioritise schemes which have a strong economic case.

The preparatory work on in setting up the "Local Transport Body" is underway.

Given the above process, the Council has started to consider over 50 potential major transport schemes ranging in cost from £1m up to +£30m such as Westbury bypass. Each of the schemes will initially be evaluated using a recognised DfT appraisal tool and then prioritised for discussion with the LEP. The monies for these schemes will come from the annual DfT allocation and from developer contributions. Improvements along the A350 I am sure will carry a high profile but it will be at least a year before any detailed work is carried out. The decision on which schemes go ahead will be the subject public consultation.

I hope that this letter shows the changes that are happening with regard to major projects. These are unfolding as Government finalises its policy but it is quite clear that decisions on schemes in the future will be made locally. As you can see it is far too early to predict whether a bypass for Westbury will be on that prioritised list.

Yours sincerely,

R L Tonge

Cabinet Member for Highways and Transport