

Cabinet

Date of Meeting: 9 March 2021

Report Title: Flowerpot Junction Improvement Scheme

Portfolio Holder: Cllr Laura Crane – Portfolio Holder for Highways & Waste
Cllr Craig Browne – Deputy Leader

Senior Officer: Frank Jordan – Executive Director Place

1. Report Summary

- 1.1. The Flowerpot Junction is a signalised junction of the A536 Congleton Road / Park Lane, the B5088 Oxford Road, and the Ivy Lane. It is located adjacent to the Flowerpot Public House to the south-west of Macclesfield town centre. The Flowerpot Junction Improvement scheme (“the Scheme”) is an important project for Macclesfield. A location plan of the Flowerpot junction is included as Appendix A.
- 1.2. The Flowerpot junction experiences regular extensive traffic queues during peak periods. There are proposed developments in the area which would increase pressure on this junction.
- 1.3. A design for the Scheme has been developed which will balance the needs of all road users and address the capacity issues identified at this junction. See Appendix B.
- 1.4. An engagement exercise with Local Members was undertaken in February 2020. Further engagement is planned during Spring 2021, with the Members, stakeholders, local residents and road users to provide more details on the construction works and traffic management arrangements. During the

construction stage, a Public Liaison Officer will be appointed to manage ongoing engagement and updates to interested parties.

- 1.5. The Scheme requires the acquisition of third-party land. Negotiations are ongoing with the landowners affected to acquire the land necessary to deliver the Scheme by agreement. If these negotiations are unsuccessful a further report may be required to consider next steps, including consideration of the use of compulsory purchase powers to deliver the Scheme.
- 1.6. The overall scheme development programme is progressing towards completion of detailed design. The total cost to deliver the Scheme is estimated at £5.0m including risk allowance and the necessary funding is identified in the Council's Capital Programme. This has been secured from a combination of Government grant from the National Productivity Investment Fund ("NPIF"), developer contributions and a capital contribution from the Council.
- 1.7. This report seeks approval to procure the delivery of the scheme through the Council's Highway Service (NEC Term) Contract, 2018 ("the Highway Service Contract"), subject to satisfying the Council's value for money requirements. The report also seeks delegated approval to progress the scheme including the preparation of a compulsory purchase order, a side roads order to acquire the required land by negotiation if possible.

2. Recommendations

That Cabinet:

- 2.1. Approve the delivery of the Scheme shown in Appendix B. (As the proposed scheme is above £1.0m pursuant to the Council's Constitution approval to proceed with the Scheme is defined as a Key Decision.)
- 2.2. Approve delivery of the Scheme through the Highway Service Contract, subject to the Ringway Jacobs target costs for the Scheme satisfying the contract's value for money requirements.
- 2.3. Approve the preparation of a Compulsory Purchase Order in respect of land and/or rights required to deliver the Scheme, where such land and/or rights cannot be acquired by agreement. If this is required a further Decision Report will be prepared and submitted seeking authority for the making of a Compulsory Purchase Order but this recommendation is not being sought at this stage.
- 2.4. Approve the preparation of a Side Roads Order in respect to stopping-up and/or amendments to private means of access, and re-provision of private means of access (in the event land is acquired under a Compulsory Purchase Order).

- 2.5. Authorise the Head of Estates to negotiate terms and to acquire land and/or rights required for the Scheme by agreement and to pay such reasonable and proper professional costs as are associated with those agreements and to instruct the Director of Governance & Compliance to draft, advise upon and enter into the legal agreements necessary to complete such acquisitions including but not limited to licences, leases, transfers, easements, wayleaves, deeds of release and/or variation and the making and submission of applications to HM Land Registry to affect the registration of any unregistered land within the Scheme.
- 2.6. Authorise the Head of Estates to negotiate and agree terms for the necessary legal agreements required to document any apparatus diversion works required by Statutory Undertakers or other utility providers in order to deliver the Scheme and to instruct the Director of Governance & Compliance to draft, advise upon and enter into the legal agreements necessary in relation to any such diversions.
- 2.7. Authorise the Head of Estates to dispose of any land currently in the ownership of the Council or to grant rights over the Council's land, as may be necessary in respect of any element of "land swap" which may be agreed as part of the assembly of land required for the Scheme. In the event that any such land is open space the Head of Estates is authorised to commence the statutory disposal process, to consider all objections and representations to the disposal of open space and to make the final decision (after having considered all objections and representations) as to whether or not to dispose of any part of land which is open space.
- 2.8. If no objections are received to the statutory notices, authorise the Executive Director of Place to dispose of the open space.
- 2.9. Note that if objections are received the decision regarding the disposal of open space will be taken by the relevant service committee.
- 2.10. Approve the forward funding of the developer contributions in accordance with the capital programme (noting that the council is one of the potential developers that would contribute to the scheme and that the funding for this is included in the council's capital programme).

3. Reasons for Recommendations

- 3.1. The Scheme aligns with key policies of the Council and is consistent with the aims and objectives set out in the Council's Corporate Plan, Local Plan and Local Transport Plan. It addresses both provision for pedestrians and cyclists and capacity constraints at a key junction on Macclesfield's road network.
- 3.2. The improvement works for the Scheme are within the scope of the Council's Highway Service Contract.

- 3.3. The Highway Service Contract includes key requirements to provide value for money, efficient service delivery and innovation. Through this contract the Council has access to all costs and supporting information, enabling checks and audits to ensure that the contract provides value for money and good contract and financial management.
- 3.4. The Highway Service Contract is available to the Council to deliver construction and improvement works on the highway network up to a threshold value of £5.0m (indexed linked). The value of the construction work procured through the Highway Service Contract for the Scheme is forecast to be approximately £2.3m.
- 3.5. To ensure that the infrastructure can be delivered in time and therefore in advance of the receipt of the developer contributions, it is envisaged that the Council will forward fund the scheme so that contracts for the delivery of the infrastructure can be entered into, subject to planning approval, if required.
- 3.6. If delivery through the Highway Service Contract cannot demonstrate value for money, the contract allows the Council to explore alternative delivery options such as undertaking separate procurement exercises for each of the schemes or using a suitable alternative route. This would require resource from the Council's Highways and Infrastructure, Procurement and Legal teams as well as separate authority to proceed on this basis

4. Other Options Considered

- 4.1. Do not undertake the improvements at Flowerpot Junction.
 - 4.1.1. Not undertaking the proposed junction capacity improvement works will result in traffic congestion causing long delays in the morning and evening peak periods.
- 4.2. Undertake a different junction improvement scheme.
 - 4.2.1. Different layout options were considered including other small-scale changes to the junction layout and operation, widening schemes, roundabout and/or alternative junction forms. All alternative options apart from the do-nothing option required more third party land to be acquired to deliver junction capacity benefits.
- 4.3. Undertake a separate procurement exercise to deliver the Scheme
 - 4.3.1. Other procurement options were rejected as these would require the Council to expend time and expense on undertaking a procurement exercise. This would potentially require a large number of tenderers to be assessed and the protracted tender procedure that would be required, potentially delaying the start of the construction of the project. A delay to

the start of the construction phase may result in loss of NPIF contribution to the Scheme. The Council's Highway Service Contract allows the Council to procure the construction works without undertaking a separate procurement exercise. This offers a time and expenditure saving to the Council, whilst still ensuring a market competitive construction cost due to the requirements contained in the Highway Service Contract to demonstrate value for money.

5. Background

- 5.1. The Scheme would provide additional capacity to the existing traffic signal-controlled junction by providing extra lanes for vehicles turning right out of Ivy Lane and left out of Park Lane and Oxford Road. Toucan crossing facilities will be added to the Ivy Lane and Congleton Road arms of the junction to provide enhanced cycle crossing facilities on these arms to link in with the existing shared footway/cycleway facilities along Ivy Lane and through the Public Open Space to the rear of Macclesfield Learning Zone. This will create a more direct route to cross the junction for cyclists using the shared paths. New traffic islands will be constructed on Park Lane and Oxford Road arms to aid pedestrians crossing the widened junction. The existing narrow footpath around the corner of Park Lane and Congleton Road will be replaced with a new 3m wide path, providing an improved connection with the Public Open Space.
- 5.2. During development of the Scheme, the Council is making all reasonable efforts to contact all affected landowners to secure the land required to deliver the Scheme by agreement. Two third-party landowners have been identified and negotiations are progressing. Work is also ongoing to identify the ownership of an unregistered piece of land within the Scheme boundary. If it is not possible to secure all the land required by agreement, a further report may be required to consider next steps, including consideration of the use of compulsory purchase powers.
- 5.3. The Scheme is exempt from planning permission under Part 9 of the General Permitted Development Order "Development relating to roads" Class A – development by highway authorities, however an area of land that may be disposed of as part of a "land swap" with an affected landowner and this will require planning permission for change of use. If through negotiations the "land swap" is agreed, a planning application will be made. Works to mitigate impact to the open space to the south east corner of the junction may also require planning permission dependent on the final proposals, and a planning application will be made if necessary.
- 5.4. The Council's Highway Service Contract was developed from learning gained from the previous 2011 contract. One of the improvements in the current contract is to increase the value of maintenance and improvement works that could be

directly delivered through the contract from £250k to £5m in order to enable slightly larger value highways and infrastructure schemes to be delivered efficiently through the Contract to provide value for money to the Council.

5.5. The use of the Highway Service Contract also offers efficiencies to the Council in time, cost and quality as a result from not needing to undertake separate procurement exercises for each new scheme, which require resources from the Council's highways, legal, and procurement teams to deliver. Schemes delivered through the Council's Highway Service Contract also benefit from being delivered by the Council's integrated highway service provider who is in a long-term contract relationship with the Council and not a short-term scheme specific contract.

6. Implications of the Recommendations

6.1. Legal Implications

6.1.1. The proposed Scheme is above £1.0m and, as such, under the Council's Constitution is defined as a Key Decision. Key Decisions require advanced notice and the provisions concerning Key Decisions (as set out in the Constitution) must be complied with.

6.1.2. As set out in the body of this report, the Scheme can be compliantly procured via the Highway Service Contract. If the Highway Service Contract is not used, further advice from Procurement and Legal Services will be required on the most appropriate procurement route and further authority to proceed with the chosen route will be required.

6.1.3. In the event that a Task Order is issued under the Highway Service Contract for delivery of the scheme, the Task Order will be in accordance with the conditions of contract as set out in the Highway Service Contract.

6.1.4. The Council's Highways, Planning and Property Lawyers are advising the project team in relation to this matter and will continue to provide advice as the Scheme progresses. In addition to this, initial advice has been taken from Counsel as to the overall assembly of the land and rights necessary to deliver the Scheme and the potential use of compulsory purchase powers. This will be reviewed as matters progress.

6.1.5. With regard to the acquisition of land by agreement, the Council has powers to purchase land by agreement pursuant to s120 of the Local Government Act 1972.

6.1.6. In relation to the disposal of the Council's land section 123 of The Local Government Act 1972 provides the necessary statutory powers to do this

subject to any disposal for 7 years or more being at the best consideration that can reasonably be obtained. S123 also contains the statutory procedure for the proposed disposal of open space and this procedure must be complied with prior to any decision to dispose of land owned by the Council and classified as open space.

6.1.7. The General Disposal Consent 2003 authorises the disposal of land for 7 years or more at less than best consideration if the undervalue is £2million or less, if the undervalue is higher than £2 million consent to the disposal is required from the Secretary of State.

6.1.8. In addition to the above and in consideration of any agreement to dispose of land if the Council disposes of land at an undervalue then it must also ensure that it complies with State aid rules.

6.1.9. Notwithstanding the above powers the Council has a fiduciary duty to the taxpayers and must fulfil this duty in a way which is accountable to local people.

6.1.10. The Legal Department will continue to advise on these matters as the Scheme progresses.

6.2. Finance Implications

6.2.1. There is a budget allocation of £5.5m in the current approved Council's Capital Programme. The budget of £5.5m is allocated for delivery of 3 improvement schemes in Macclesfield as shown in the table below.

Scheme	Cost
Silk Road (constructed 2019)	£237,439
Mill Lane (constructed early 2020)	£251,785
Flowerpot Junction	£5,010,776
Total	£5,500,000

6.2.2. The total Flowerpot Junction Improvement scheme cost is estimated at £5.0M, including risk allowance. A high-level cost estimate has been prepared by specialist engineering and property consultants. The scheme actual cost will depend on finalisation of the target cost and any further savings opportunities realised during preconstruction and construction

implementation stages. The following table summarises the main cost elements for the Scheme.

Scheme Element	Estimated Outturn Costs
Development Stage costs	£1,000,000
Preliminary Works, Statutory Undertakers diversions	£900,000
Construction	£2,300,000
Post Construction costs	£300,000
Risk Allowance / Inflation	£510,776
Total	£5,010,776

6.2.3. The Scheme funding includes contributions from the National Productivity Fund, the Council and developer sources. The following table summarises the funding sources.

Funding Source	Value
National Productivity Fund	£3,500,000
Developer Contributions	£1,200,000
Cheshire East Council Contribution	£800,000
Total Scheme costs	£5,500,000

6.2.4. The developer contribution of £1.2M is linked the development of the South Macclesfield Development Area which the council is acting as lead developer for. This potential contribution is included in the council's capital programme.

6.3. Policy Implications

6.3.1. The Scheme is in line with the aims and objectives set out in the Council's Corporate Plan, Local Plan and Infrastructure Delivery Plan.

6.4. Equality Implications

6.4.1. An Equality Impact Assessment will be undertaken for the Scheme during the design stage. The Scheme will be delivered in line with the Council's current policy and practice, taking account of the needs of all residents and all types of users of the public highway.

6.5. Human Resources Implications

6.5.1. It shall be necessary to ensure that sufficient resource is allocated in Estates, Highways and Legal Services to support delivery of the scheme. If additional temporary resources are required, these will be met from the project budget.

6.6. Risk Management Implications

6.6.1. Robust governance arrangements have been operating for the project and a risk register is in place and monitored on a regular basis. Mitigation measures; monitoring and effective control will continue to be exercised.

6.6.2. The three principal risks identified are safety in construction; timely completion and delivery within budget. They have all been considered in the selection, design development and construction planning and programming of the scheme.

6.6.3. A risk allocation of approximately £500,000 has been assigned to the Scheme to cover for any additional costs arising during delivery of the scheme. The largest risk relates to the number of utility diversions that may be required. Discussions are ongoing with the Statutory Undertakers to confirm costs and agree a programme for any diversions.

6.6.4. The Council is in negotiation to acquire the majority of the land required for the scheme and the negotiations shall continue with the objective of securing the land required by agreement.

6.6.5. Third Party Funding from s.106 commuted sums developer contributions (£1.2 million) is secured from the SMDA for a junction improvement scheme at the Flowerpot Junction, Congleton Road, Macclesfield. There is a risk of paying back the developer contribution in part or in full if the Scheme was not delivered.

6.6.6. Should the Scheme not be delivered, the £3.5m NPIF grant from the Department for Transport would be lost and there is a risk of a requirement to pay back the grant in part or in full. The DfT have been kept informed of our scheme progress and raised no issues, but if the scheme is not delivered and repayment is required then the Council would have to fund

any shortfall .Benefits related to the easing congestion at the junction would therefore not be realised.

6.7. Rural Communities Implications

6.7.1. There are no direct implications for rural communities. The Scheme is designed to improve the efficiency and safety of the Flowerpot Junction and through flow of traffic on this part of the highway network, which is open to use by all residents and visitors to the borough.

6.8. Implications for Children & Young People/Cared for Children

6.8.1. The Scheme design will enhance the walking and cycling facilities at the Flowerpot Junction by providing improved pedestrian and cycling crossing facilities for all non-motorised users at the junction. There are many young people using the crossing facilities at the junction as it is a key route to various schools and Macclesfield College.

6.9. Public Health Implications

6.9.1. The reduction in the number of killed and seriously injured as a result of road traffic collisions on the public highway in Cheshire East is a key aim of the Council and external stakeholders.

6.9.2. The Scheme will have public health benefits by enhancing road safety for motorised and non-motorised users by easing congestion and the associated reduction in incidents that results when compared with congested highways.

6.9.3. The Scheme will have public health benefits by providing freer flowing traffic using the junction and encourage sustainable forms of transport such as walking and cycling through enhanced crossing facilities and junction arrangements.

6.10. Climate Change Implications

6.10.1. The Council has committed to becoming Carbon neutral by 2025 and to encourage businesses, residents and organisations in Cheshire East to reduce their carbon footprint. The Scheme provides for methods of travel that support carbon reduction and sustainable transport.

7. Ward Members Affected

7.1. The wards affected are Macclesfield Central, Macclesfield West and Ivy, Macclesfield South and Macclesfield East within the borough but provide wider benefits for all residents of Cheshire East.

8. Consultation & Engagement

- 8.1. An engagement exercise was undertaken with Local Councillors in February 2020. Feedback received has been used to inform the subsequent design.
- 8.2. Cheshire East Highways will be engaging with Members, stakeholders, local residents and road users as part of an ongoing communications exercise to be continued during 2021. This will advise on scheme proposals and give further details on the construction works and traffic management arrangements to enable the safety of residents, road users and constructions teams and the efficient delivery of the works to minimise disruption. A scheme webpage will be added to the Cheshire East Highways website as part of the communications exercise.

9. Access to Information

- 9.1. The background papers relating to this report can be inspected by contacting the report writer.

10. Contact Information

- 10.1. Any questions relating to this report should be directed to the following officer:

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