

# No Road: No relief

Why we need Hereford to have its bypass

Hereford Business Board, August 2019

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Frank Myers MBE, Chairman, Herefordshire Business Board

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## 1: Summary and Introduction:

Nearly all cathedral cities and small towns have some form of bypass relief road these days.

There is a reason for that: Without an effective relief road to divert traffic flow and ease congestion at the centre, the broader community and wider economy will suffer.

The damage comes from lack of inward investment and growth. That means financial stagnation, reduced job opportunities, depressed wages and an exodus of younger adults in search of attractive employment.

We have one of the lowest average wages in the country and latest statistics show nearly 14,000 people travelling outside the county to work, with all the consequent environmental damage that involves.

On top of these problems come the more obvious woes: the Inconvenience, frustration, pollution and ill health. These are imposed on residents and visitors alike through impossibly high volumes of traffic, often moving only at a crawl.

Without the bypass and the prosperity it will promote, local health services, education and social will deteriorate through lack of funding as local authorities suffer reduced income from business and domestic rates.

### **Once in a generation opportunity:**

Hereford has long needed a bypass. Prior to May this year it seemed everything was finally falling into place.

After some 40 years of stop-start, negotiations with Government, broad consultation, and pursuit of funding, it seemed everything was finally in place.

The recent local election has thrown the whole scheme into flux once more.

There are compelling reasons why the plan should be progressed, not rejected.

This is a once in a generation opportunity - possibly rarer. If the current momentum is not allowed to continue then funding will disappear and the whole process will have to begin again.

It could be another 50 years before such a state of readiness is achieved again.

So rejecting the scheme will not only squander all the time and money invested in the scheme so far - as well as the funding on offer. It will also deny future generations the benefits which the bypass will afford.

That will leave them not only with a polluted city and poorer health, but with fewer jobs, lower wages and an impossible shortage of affordable homes.

We at Herefordshire Business Board are campaigning to get the bypass back on track. The following

reports set out our case.

**Frank Myers MBE, Chairman, Herefordshire Business Board**

## 2. Implications of a decision not to proceed

By Doug Barrat: Chair, Hereford Investment Partnership

### **Introduction**

The purpose of this note is to set out the possible implications for Herefordshire if there is a decision not to progress with the proposals to build the Hereford Bypass. The Hereford Bypass is recognised as a key piece of economic infrastructure in the Herefordshire Core Strategy, the Herefordshire Local Transport Plan, the Marches Strategic Economic Plan and Midlands Engine's and Midlands Connect's regional strategies. See <https://www.midlandsconnect.uk/publications/ris2-priorities/> where it shows that of five major regional schemes, two of which are smart motorway projects on the M6, the Hereford bypass ranks number 2.

### **Background/Context:**

The Hereford Bypass is due to be constructed in stages. The first stage is the South Wye Link Road which links the A49 South to the A465 Abergavenny Road at Belmont. This stage has secured funding through the LEP/DFT, has planning permission and has gone through an enquiry to confirm a Compulsory Purchase Order Process. Herefordshire Council have scheduled to let a contract to commence the work on the construction of this first phase of the Bypass in the Autumn of 2019. Following the recent change of administration there is now some uncertainty as to whether Herefordshire Council will proceed with the scheme. A delegated Officer decision has now been made to undertake some initial ground works to secure the current planning permission.

However, a further Member decision will be required in the next few weeks on whether or not to proceed with the construction of the Road.

If the decision is made to defer the decision to construct the road it is likely that the £27 million of LEP/DFT Growth Deal Grant will be lost to Herefordshire and the new road will not be able to proceed. This, in turn, will mean that all the monies spent to date which have been capitalised against a future asset (the road) will have to be dealt with as an in-year revenue pressure. It is estimated that this revenue pressure will be at least £12million wiping out much of the Council's reserves and impacting on the financial viability of the council in the short and long term.

It is possible that the Council will try to mitigate the risk of the immediate revenue pressure by making a decision to pause the scheme for a review of the evidence. This pause could be for an indefinite period which would defer the point that any revenue pressure would hit the Council's budget for a number of years. However, the Council will have to re-fund any part of the £27 million Growth Deal grant which it has already spent, if it does not make a decision to proceed in the next six months. In the event that the remainder of the grant is not drawn it will also mean that the associated package of improved/new walkways and cycleways proposed in the South Wye area cannot proceed.

A no road strategy will also have a negative impact on future housing and business growth meaning less council tax and business rates income. This strategy is likely to threaten the long-term viability

of Herefordshire Council and may lead to the need to a merger with a neighbouring council such as Worcestershire.

Even though the initial decision has now been taken to secure the planning permission, subsequent decisions will need to be made in the next few weeks to proceed with the construction or not. Decisions will also need to be made as to whether to continue to bid for or accept funds to construct the Bypass. There are currently three Government funding routes which could support the cost of delivering the Bypass.

Midlands Connect have recently submitted proposals to Government for a £2 Billion upgrade to the regional rail network including upgrades to the links to Herefordshire, they have also reaffirmed the importance of the Hereford Bypass. Increased numbers of trains to Herford and Ledbury Stations will mean increased traffic movements to the stations which require improved road infrastructure.

### **The potential Impacts of no Bypass on the growth/economy of Hereford**

The A49 currently passes through the middle of Hereford, the only major settlement that is not bypassed on this major strategic north/south route which is used as an alternative to the M5/M6 and is an important connection between North and South Wales. Given its important wider role on the strategic road network Highways England have to ensure that congestion on the Road does not have an overly negative impact on journey times along the A49. In order to protect this position Highways England have imposed a number of caps on development in the City to the effect that unless a new Bypass is built only a limited number of new houses and limited growth of the main employment sites will be allowed. Further details on these constraints are set out below.

### **Skylon Park (Hereford Enterprise Zone)**

Skylon Park is the largest employment site serving the County of Herefordshire. It is home to well over 125 businesses and has approximately 70 acres of land still available for development.

It is also designated as one of the UK Government's Enterprise Zones, the only one serving the Marches LEP area. The EZ has already delivered some 42,500 sq metres of additional development on Skylon Park, it has the potential to provide another 84,000 sq metres of development which, in the long term, should enable the creation of some additional 1,800 jobs in the local economy.

The main road access to Skylon Park is off the A49. Appendix B to the attached LDO link illustrates the caps on road movements that Highways England have imposed on the site. The current caps mean only some 300 additional vehicle trips per day at peak times will be allowed. The development that has already been approved and is under development means that these caps have almost been reached.

Any proposed development on the Estate which generated more journeys per day than these caps would not be guaranteed to secure planning permission due to the possible negative impacts on congestion on the A49. It is therefore very likely that the Enterprise Zones development could stall and the remaining sites will not be able to be developed out. Even the manifesto of the Green Party emphasises that "business rates [will] become an increasingly important element in the Council's finances.[in the future]"

[https://www.herefordshire.gov.uk/download/downloads/id/16708/hereford\\_enterprise\\_zone\\_revised\\_local\\_development\\_order.pdf](https://www.herefordshire.gov.uk/download/downloads/id/16708/hereford_enterprise_zone_revised_local_development_order.pdf)

## **Housing Development in Hereford**

In the context of a national housing shortage Herefordshire's Core Strategy sets out a need for an additional 16500 new houses in Herefordshire between 2011 and 2031

6500 of these new homes were to be provided in Hereford. However, it would not be possible to accommodate all of this growth without a Bypass of the City.

Please see adopted Core strategy on attached link. Appendix 5 of the strategy sets out the caps on development agreed with Highways England in relation to housing growth. It indicates that if there is no realistic prospect of the Southern Link Road being open by 2022 the new homes in Hereford would need to be restricted to 3250, half of the current number required to meet housing need.

[https://www.herefordshire.gov.uk/info/200185/local\\_plan/137/adopted\\_core\\_strategy/2](https://www.herefordshire.gov.uk/info/200185/local_plan/137/adopted_core_strategy/2)

## **Impact on new University (NMI TE)**

There will potentially be a number of direct and indirect impacts on the development of NMI TE over the next period. Clearly the potential limit on development at the Enterprise Zone will limit the size and nature of any development required by NMI TE on the Zone. It will also limit the potential for business wishing to relocate, start up or expand in Hereford to partner with NMI TE. Furthermore, the constraints on development are likely to have a negative impact on the confidence of both private sector and public sector investors making it more difficult for NMI TE to secure the much-needed investment it will require to meet its full potential.

The limits on housing growth will also impact on NMI TE's ability to secure the necessary student residential accommodation and in turn make it more difficult to recruit students to come to study in Hereford.

## **Conclusions/Next Steps**

It is essential that the full impacts of any decision not to proceed with the construction of the Hereford Bypass are understood by all decision makers and stakeholders locally regionally and nationally. A no Bypass scenario will require a significant reevaluation of the viability of Herefordshire as an independent entity.

### 3. The view from education

Open letter by Ian Peake, Principal, Hereford and Ludlow College

The College does not have or express any political views but we have a number of concerns about the implications of ceasing these crucial long-term infrastructure projects. Although I am primarily writing on behalf of the College, I am also expressing my views as a long-term member of the Herefordshire Business Board, the Marches LEP Skills Board and the Herefordshire and Worcestershire Chamber of Commerce. I am well acquainted with the principles of sustainable economic development having also served as a member of the Marches LEP Board.

#### **Congestion and pollution:**

The present levels of congestion in and around Hereford are unacceptable. This has a direct impact on the ability of students and staff to access the College at its Hereford and Holme Lacy campuses.

The excessive pollution and congestion in the City make it a far less attractive place for staff to live, and exacerbate the challenges of recruiting and retaining good quality staff. The ongoing failure to improve transport systems will also have a direct impact on the County's businesses and the development of the new University. It is already difficult to attract good quality staff to Herefordshire (for the College and for many businesses) because of the relative remoteness of the County and distance from significant population centres.

#### **Jobs, investment and prosperity**

The economy of Herefordshire, although successful in achieving high levels of employment, is heavily reliant on a low-paid workforce. If the County does not make the long-promised improvements to the transport network, most notably the bypass, it is highly unlikely that the local economy will be able to develop and provide our young people with the better paid jobs they require and deserve. Successful local economic development and the provision of a better City environment are critical to the retention of our well-educated, skilled and highly motivated young people.

## **Affordable housing**

You will be aware of the considerable gap between average wages – which in Herefordshire are extraordinarily low – and house prices. The development in infrastructure will release land for housing, helping to meet a national and local shortage of reasonably priced properties. I would hope that a substantial proportion of new housing should be truly affordable, which would be a very attractive proposition for young people and young families. Failure to release land for a modest expansion of the City will only mean more extensive building in the Herefordshire countryside, adversely impacting on the aesthetic value of the County, and increasing travel times, pollution and congestion.

## **The wider picture**

Although these critical infrastructure decisions are within the hands of locally elected Councillors, they clearly have important regional/national ramifications. I would therefore urge the Council to be aware of the knock-on negative impact of failing to address the bypass issue on the wider region.

I understand that some Councillors believe that they were elected because of their views on the Hereford bypass/link road. This appears disingenuous given the national shift in voting patterns, principally attributed to the Brexit debate.

## **Taxpayer's money**

The Council has already committed very substantial sums to these important infrastructure projects, and the window of opportunity to secure the capital funding from government is limited. It would be unwise to have wasted scarce financial resources on projects that may be temporarily shelved – projects that cannot be indefinitely delayed.

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