

Adran yr Economi a'r Seilwaith
Department for Economy and Infrastructure



Llywodraeth Cymru
Welsh Government

This document is an update to the ‘Proof of Evidence – Chief Witness’ document WG 1.1.1. It contains an update following the addition of the bridge protection measures in the DRAFT AMENDMENT (NO.2) SCHEME ORDER and a general update on the works to address the allegation of serious detriment upon Newport Docks by Associated British Ports (ABP).

Scheme Evidence Update

Matthew Jones BEng (Hons), CEng, MICE

Welsh Government, Chief Witness

Document Reference: WG 1.1.8

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1. AUTHOR

- 1.1 I am Matthew Richard Jones. Since 2013 I have been responsible for managing strategic consideration of a solution to the problems associated with the M4 around Newport and subsequently managing the preparation and publication of the draft Orders, the Environmental Statement and associated reporting for the M4 Corridor around Newport project. My professional qualifications are set out in my main Proof of Evidence and are not repeated here.
- 1.2 The evidence which I have prepared and provided in this Scheme Evidence Update, has been prepared and is given in accordance with the guidance of my professional institution and I confirm that the opinions expressed are my true and professional opinions.

2. SCOPE AND PURPOSE OF THIS PROOF OF EVIDENCE

2.1 This Scheme Evidence Update provides an update to my previous evidence in respect of the Newport Docks. The following sections of my main evidence are thus withdrawn and are to be replaced with this evidence:

Matthew Jones Proof of Evidence (WG 1.1.1)

Sections 19.4 to 19.8 and sections 19.35 to 19.43

Matthew Jones Summary Proof of Evidence (WG 1.1.2)

Sections 50 to 53

2.2 This evidence also provides an update to my previous evidence with respect to Costs and Budgets. The following sections of my main evidence are updated by this evidence:

Matthew Jones Proof of Evidence (WG 1.1.1)

Section 13

Matthew Jones Summary Proof of Evidence (WG 1.1.2)

Sections 29 to 30

2.3 Aspects of my evidence interface with the evidence of other witnesses including:

- a) Mr Stephen Bussell (Economics)
- b) Mr Ben Sibert (Engineering)
- c) Mr Bryan Whittaker (Traffic)
- d) Mr Barry Woodman (Construction)
- e) Dr Peter Ireland (Environment)
- f) Mr Andy Clifton (Contamination)
- g) Mr Tim Chapman (Carbon)
- h) Dr Michael Bull (Air Quality)
- i) Mr Philip Evans (Noise and Vibration)
- j) Mr Jonathan Vine (Shipping)
- k) Mr Andrew Meaney (Port Economics)
- l) Mr John Davies (Sustainable Development)

2.4 My evidence is presented in the following structure, with a detailed contents provided at the start of the document.

1. Author
2. Scope and Purpose of this Proof of Evidence
3. Scheme Evidence Update
4. Conclusions

Appendix A – Port Relocation Plans

- a) Port Land Parcels - M4CaN-DJV-GEN-Z3_GEN-SK-CX-0009
- b) Existing Port Layout - M4CaN-DJV-GEN-Z3_GEN-DR-CX-0009
- c) ABP and Tenant Relocation Proposals Rev 20 – M4CaN-DJV-GEN-Z3_GEN-SK-CX-0012
- d) Newport Docks Existing and Proposed Common User Storage Areas – M4CaN-DJV-GEN-Z3_GEN-SK-CX-0013

- e) ABP and ABP Tenant Relocation Sequencing of Works -
M4CaN-DJV-GEN-ZG_GEN-SK-CX-0015, 0016, 0017, 0018,
0019, 0021, 0022, 0023 & 0024

Appendix B – Bridge Protection Measures Layout

- a) Bridge Protection Measures – M4CaN-DJV-SBR-Z3_GEN-SK-
CB-0051

Appendix C – LDH Removal of Objection Correspondence

3 SCHEME EVIDENCE UPDATE

3.1 Introduction

3.1.1 Previous proposals for the protection of the River Usk Crossing, where it passes over the Junction Cut, are outlined in the Environmental Supplement issued in April 2017. In order to obtain the rights to construct and maintain these measures the Welsh Government published a draft supplementary (No. 3) Compulsory Purchase Order in May 2017.

3.1.2 Since May 2017, when the Welsh Government proposed to extend the Junction Cut whilst retaining its existing width, further discussions have been held with ABP and the proposed bridge protection measures have been revised. The current proposal is to narrow and extend the Junction Cut at its southern end and revise the entry parameters and protocols for shipping entering the North Dock. These are outlined further in the following sections of this updated evidence.

3.1.3 In order to obtain the rights to construct and maintain the current proposals for the bridge protection measures the Welsh Government has published the following:

- a) A draft Amendment (No.2) Scheme Order to narrow the navigable waters of the Junction Cut was published on 15th August 2017.
- b) The additional land required for the above was provided for within the draft Supplementary (No. 4) Compulsory Purchase Order, which was published on 22nd August 2017.
- c) Modification (No.77) to the draft Supplementary (No.3) Compulsory Purchase Order was published at the same time as the draft Supplementary (No.4) Compulsory Purchase Order. The modification removed areas of land, in the vicinity of the Junction Cut, which were no longer required for the bridge protection measures.

- 3.1.4 The above draft Orders show the extended Junction Cut narrowed to 11m at its southern end only. A probabilistic assessment has been carried out, which has been shared with ABP, and indicates that the extended Junction Cut could be widened to 13.5m with the inclusion of a virtual trip wire system located at the South Lock.
- 3.1.5 Since the publication of the original draft Orders, the Welsh Government has also held discussions with ABP regarding their operations at Newport Docks and are now proposing to provide the following works to address the impacts of the Scheme:
- a) The phased creation of approximately 303m of new quay on the north side of South Dock
 - b) Refurbishment of 250m of quay on the south side of South Dock (at the eastern end of the Coal Terminal)
 - c) Provision of a moveable bridge to facilitate mobile harbour cranes, other port equipment and HGV's to cross the extended Junction Cut from west to east (and vice versa) of South Dock with associated new roadway to connect into existing port roads
 - d) Preparation of areas of land and provision of premises to facilitate the relocation of ABP, tenants and occupiers of the port that are affected temporarily and permanently by the scheme, including site preparation, new buildings, hardstandings and infrastructure.
- 3.1.6 I will provide an overview of all aspects of the proposed works in the following sections of this updated evidence. Appendix A includes the layout of existing port facilities, the replacement facilities and relocation proposals, and the land parcels to be developed to achieve this along with sequencing drawings.

3.1.7 The December 2017 Scheme Evidence Updates are supported by the information contained within; the April 2017, August 2017 and October 2017 Environmental Statement Supplements, the December 2017 Revised Economic Appraisal Report Supplement No.2 (WG 2.8.7), and the December 2017 Revised Wider Economic Impact Assessment Report Supplement (WG 2.8.8).

3.2 Newport Docks Works

In this section I will discuss the proposed bridge protection measures and the works proposed to mitigate the impact of the Scheme on the water and land based operations of the Newport Docks.

Bridge Protection Measures

- 3.2.1 I explained in section 19.33 of my main evidence (WG 1.1.1) that the Welsh Government had identified that physical works would be required to protect the River Usk Crossing in the vicinity of the Junction Cut.
- 3.2.2 Following discussion with ABP, and through the mechanisms outlined above in Section 3.1, it is proposed to construct build-outs within the South Dock to lengthen Junction Cut and narrow it to 11.0m at its southern end only (as opposed to 19.5m width at present). A plan layout is included in Appendix B.
- 3.2.3 Following engagement with ABP it has been established that a cut width of 11m would appropriately manage the risk of mast or superstructure contact with the bridge without significant reliance on management measures. This therefore represents the greatest potential land take required and has accordingly been the basis of the draft Amendment (No. 2) Scheme Order and draft Supplementary (No.4) Compulsory Purchase Order.
- 3.2.4 Collaborative assessments with ABP have been undertaken to determine whether the cut width reduction could be lessened to maximise operational use of North Dock following implementation of the Scheme.

- 3.2.5 Mr Ben Sibert and Mr Jonathan Vine explain that the assessments indicate that at width of 13.5m the risk of superstructure contact with the bridge would remain acceptable with limited management measures in place. Whilst risk of mast contact is higher, for a 13.5m wide Junction Cut, the assessments indicate that with limited management measures in place the risk could be mitigated to a similar level as an 11m wide Junction Cut. Such management measures would include the use of a virtual trip wire system at the South Lock and ABP have indicated that they would issue general directions to clear decks of vessels when transiting under the bridge (wherever practical).
- 3.2.6 Any lessening of the 11m cut width reduction would be within the rights obtained by draft Supplementary (No.4) CPO as it would not require any additional land. The publication of the draft Amendment (No. 2) Scheme Order and draft Supplementary (No.4) Compulsory Purchase Order allows all with an interest to make representations.
- 3.2.7 Mr Ben Sibert will outline the risk assessment process and further details of the form of the bridge protection measures in his evidence update (WG 1.5.6).
- 3.2.8 The Welsh Government and ABP are also discussing the possibility of agreeing provisions, which would achieve the same rights to construct and maintain the bridge protection measures as the draft Supplementary (No.3) and (No.4) Compulsory Purchase Orders but using a mechanism, which would be more agreeable to ABP. The Welsh Government is open to agreeing such a way forward, subject to contract, but absent agreement must proceed by Compulsory Purchase Order.
- 3.2.9 Notwithstanding that discussions between ABP and the Welsh Government are ongoing with respect to the width of the Junction Cut narrowing to provide an appropriate balance between management of risk and operational use of the North Dock, the Scheme layout now proposed for 11m width is the Welsh Government's proposal to

provide the land essential to the Scheme should those discussions fail to reach any further agreement. In this scenario, if the draft Orders were made as published now in draft, the Welsh Government would acquire sufficient rights to construct, maintain, operate and to mitigate risks to the Scheme.

- 3.2.10 Narrowing of the Junction Cut places a beam restriction on vessels accessing North Dock. The impact of this is discussed in the following section of this evidence and that of Mr Jonathan Vine.

Mitigation Measures for Water Based Operations

- 3.2.11 As outlined in section 19.38 of my main evidence (WG 1.1.1) the Welsh Government has always acknowledged that the Scheme with a height restriction would restrict the number of vessels that are able to enter North Dock.
- 3.2.12 Prior to publication of the March 2016 draft Orders, it was the Welsh Government's view in that maintaining the Junction Cut width of 19.5m the majority of current shipping would be able to continue to use the North Dock. Furthermore, on those few occasions that a vessel journey would be restricted, alternative ships with a lower air draft would be available for charter. For those occasions when alternative charters were not available, the Welsh Government's position was that vessels could use South Dock, where there was usually spare capacity. On the few occasions where there was not spare capacity, vessels could anchor or adjust their passage to arrive at a time when there was spare capacity.
- 3.2.13 Since the publication of the March 2016 draft Orders, the Welsh Government has through engagement with ABP, further considered the potential impacts (current and future) on shipping movements within the Docks and the safety of shipping and users of the bridge and Docks.

- 3.2.14 Safety is being addressed by the bridge protection measures along with proposed amendments to directions to shipping wishing to enter North Dock.
- 3.2.15 The bridge protection measures now include the narrowing of the extended Junction Cut which creates a further restriction to vessels entering North Dock. As such, the Welsh Government now propose to provide:
- a) The phased creation of approximately 303m of new quay on the north side of South Dock;
 - b) Refurbishment of 250m of quay on the south side of South Dock (at the eastern end of the Coal Terminal);
- 3.2.16 Mr Jonathan Vine and Mr Andrew Meaney, assisted by the project development team, have undertaken shipping and economic analysis to demonstrate that the measures outlined above are appropriate to mitigate the impact the Scheme could have on the current and future shipping movements within Newport Docks.

Mitigation Measures for Land Based Operations

- 3.2.17 The Welsh Government has, through engagement with ABP, prepared proposals setting out relocation works to address the temporary and permanent landside impacts on ABP, their tenants and occupiers of the Docks. Whilst the principles of the Port Relocation Plan contained within the August 2017 Environmental Statement Supplement (No.5) remain broadly similar, discussions have progressed with ABP and a number of revisions of the proposals have occurred. These are now reflected in the information contained within Appendix A of this Evidence update. The proposals contain measures to address the concerns of ABP, their tenants and other occupiers of the Docks, and aims to mitigate adverse effects of construction or operation of the Scheme.

- 3.2.18 Whilst Essential Licence land for construction purposes would be offered back to ABP after construction, the duration of the construction programme means that the existing land uses on these plots would need to be relocated to enable the Docks to continue to function efficiently during construction. As part of the ABP and Tenant Proposals, some occupiers would be relocated temporarily and then moved back to their original location, and others would be moved on a permanent basis.
- 3.2.19 Some land would be subject to permanent acquisition, such as that required for the alignment of Docks Way junction. Other land would be permanently acquired, albeit leased back to ABP subject to permanent restrictions on uses, such as that beneath the bridge, as described previously by Mr Ben Sibert in his main Proof of Evidence (WG 1.5.1). This has also been incorporated into the proposals, with all tenants' and occupiers' needs being considered. Mr Ben Sibert gives an update on the fire risk assessment in his evidence update (WG 1.5.6) at paragraphs 3.3.6 to 3.3.17.
- 3.2.20 The Welsh Government has engaged with ABP, its tenants and other stakeholders on how the existing land uses (buildings, storage and the like) on plots required in the draft Compulsory Purchase Order could be moved to other areas of the Docks to maintain the functionality of the docks and mitigate impacts. To help inform this process, the Welsh Government have collected data from ABP, their tenants, other occupiers and stakeholders, land registry plans, site visits and online mapping tools.
- 3.2.21 I have outlined below the elements that would require relocation and have provided details of the latest proposals. This section should be read alongside the drawings contained within Appendix A of this Scheme Evidence Update:

- a) ABP Central Workshops, Stores and Medical Centre, would be relocated to new premises on the south east side of South Dock which is bounded by the South Dock railway link, the River Usk and the easternmost wind turbine
- b) The impacted Common User Storage Areas would be relocated, on a like for like basis, to the south of South Dock and the north of South Dock close to the refurbished 250m length of quay and the new 303m length of quay respectively. A weighbridge would also be provided near the relocated common user storage areas on the south side of South Dock
- c) CJNI Engineering (OBJ-0312) would be relocated to new premises to the south of South Dock on a like for like basis
- d) Hedland Engineering would be relocated to an area to the south of South Dock on a like for like basis
- e) The ABP Plant Compound, which is currently located on the west side of the Junction Cut, would be relocated to an area to the south of South Dock on a like for like basis
- f) The former ABP Site Office would be demolished (ABP have confirmed during engagement and in their evidence [OBJ 31 – 2A] that it does not need to be replaced) and the land it occupied included in the new areas of common user storage area provided in the area to the south of South Dock
- g) Origin UK Operations Limited (OBJ-0291) would be relocated to the south of South Dock, conveniently located close to the refurbished 250m of wharf to be provided. The position and site layout has been developed in consultation with ABP and Origin. Newport City Council (who are the Hazardous Substance Authority) have also been consulted through a pre-application submission to NCC and have provided an initial response. Mr Andy Clifton provides further information in his Scheme Evidence Update (WG 1.11.4)

- h) International Timber Terminal (OBJ-0313) would be provided with new temporary storage areas on vacant land located to east of West Way Road and land adjacent to the North Dock between their existing operation and the west quay of North Dock. Appropriate edge restraints will be provided to create a safe working space. Those ships unable to access North Dock would be able to offload cargo on the north side of South Dock. The increased costs of transportation from the quayside to International Timber's facilities are a matter of compensation, and this would mean that International Timber would not suffer any losses due to the restriction at Junction Cut. On completion of the Scheme, any land that is currently used by International Timber that is not required for permanent use within the Scheme would be offered back to ABP and International Timber with a restriction placed on its use. A preliminary fire risk assessment has been carried out on the basis of their current operating procedures and timber stack heights and measures have been incorporated into the design of the Scheme (consisting of the use of fire resistant paint on the bridge at this location) to ensure that this use could continue. The current use would form the basis of the restriction on the future use of the land beneath the bridge which is currently used by International Timber, with any future uses to be by agreement. Mr Ben Sibert provides further details of the preliminary fire risk assessment and fire mitigation measures in his evidence update (WG 1.5.6)
- i) The west fence line and access to the car park in the north west corner of the Sims Metal plot would be moved eastwards temporarily to accommodate the temporary re-alignment of West Way Road during Scheme construction. On completion of Scheme works the original fence line and access would be reinstated.

- j) WE Dowds (OBJ-0302) currently use 10 Shed and the surrounding hard standing; it is proposed that these facilities would be relocated to vacant land south of South Dock on a like for like basis conveniently located close to the refurbished 250m length of wharf to be provided. The Welsh Government is committed to ensuring that continued coverage of their wireless network is maintained throughout the relocation and Scheme construction and operation phase and discussions surrounding proposals in that regard are currently progressing with Dowds. A traffic management and access plan is being developed to assess the traffic movements in and around the port during the construction of the M4 Scheme and relocation works alongside existing port traffic. This will inform any potential measures required to mitigate any potential traffic issues such as the relocation of the Dowds office space and weighbridge. To allow for the construction of the proposed Scheme 10 Shed would need to be shortened and a new gable end and access would be provided as part of the works.
- k) WE Dowds have also indicated that due to the narrowing of Junction Cut the volume of cargo that could be discharged to 1, 2 and 2A Shed would be affected. The Welsh Government propose that the modified 10 Shed, referred to above, could be used to mitigate this impact
- l) Ma's Ba Café would be relocated to an equivalent area of land located to the south of South Dock on a like for like basis
- m) JED Crushing and Screening would be relocated to a vacant land located to the south of the diverted Tom Lewis Way on a like for like basis
- n) Laidlaw's facilities would be relocated to land located south of South Dock on a like for like basis prior to the construction of the Scheme

- o) R Williams Transport facilities would be relocated to land located south of South Dock on a like for like basis prior to the construction of the Scheme
- p) Bridge Time facilities would be relocated to land located south of South Dock on a like for like basis prior to the construction of the Scheme
- q) Ronnie S Evans (OBJ-0316) facilities would be relocated to land located south of South Dock on a like for like basis prior to the construction of the Scheme
- r) Scott Pallets facilities would be relocated to land located south of South Dock on a like for like basis prior to the construction of the Scheme
- s) Road Maintenance Services facilities would be relocated to land located south of South Dock on a like for like basis
- t) Asset International facilities would be relocated to land located south of South Dock on a like for like basis
- u) LDH Plant Ltd.(OBJ-0047) had concerns about the extent of land take from their facilities in order to construct Docks Way junction but have subsequently removed their objection. It has been agreed by the Welsh Government that it would construct a retaining structure within the western boundary of the site and a modification to the CPO was included in the draft Supplementary (No. 3) CPO issued in May 2017. LDH Plant Ltd. have since withdrawn their objection to the draft Orders. A copy of the letter from LDH Plant Ltd. stating the removal of their objection is contained within Appendix C

- v) The site which New Adventure Travel currently occupy would be reduced in size permanently but from initial discussions (which are ongoing) with the tenant they would be able to continue their operations in the permanent case. A new retaining structure would be constructed along the western boundary of the site in order to allow the existing building to remain in-situ. A modification to the CPO (Modification 79) will be issued in due course.
- w) The site which Baldwin's Crane Hire currently occupy would be reduced in size permanently but from initial discussions (which are ongoing) with the tenant they would be able to continue their operations in the permanent case. A new retaining structure would be constructed along the western boundary of the site in order to allow the existing building to remain in-situ. A modification to the CPO (Modification 79) will be issued in due course.
- x) NR Evans would remain in situ with a reduction in land area during the construction of the Scheme. After construction of the scheme the land temporarily lost during construction will be largely reinstated on completion of the Scheme. During construction of the proposed Scheme any loss of storage could be temporarily provided in the nearby vacant plot or land to the south
- y) A1 Skips facilities would be relocated to the south of South Dock on a like for like basis
- z) ABP's Western Gateway, gatehouse would be temporarily relocated further south as part of the Scheme and would remain as close as possible to the existing location. Liaison with the Port Security Authority would ensure that security is maintained during this operation. After the completion of the Scheme the gatehouse would be moved back to its original position.

- aa) A plot which was previously vacant at the time the draft Compulsory Purchase Order (March 2016) was published is now occupied by R.C. Marshalls. The site would be reduced in size permanently as the CPO would encroach over approximately 6m of its western boundary. It is evident from recent aerial imagery that R.C. Marshalls do not use the parcel of land acquired by the Scheme. Their building is unaffected and operations can be maintained as existing.
- bb) SMS Towage would be temporarily relocated to Middle Quay during the construction phase of the Scheme. SMS Towage would then be permanently relocated to the south west build out of the bridge protection measures upon completion of the works.

3.2.22 The following tenants, which operate within the Newport Docks, have outstanding objections to the draft Orders:

- a) OBJ-0291 Origin
- b) OBJ-0302 WE Dowds
- c) OBJ-0312 CJN Engineering
- d) OBJ-0313 Saint-Gobain/Jewsons (International Timber)
- e) OBJ-0316 Ronnie S Evans

3.2.23 It is understood from the correspondence received from CJN Engineering and Ronnie S Evans that impacts raised in their objections are concerned solely with the acquisition of the land on which the businesses currently operate. Relocation of the businesses on a like for like basis, within the Newport Docks, would mitigate the impact to the tenant and to ABP.

- 3.2.24 The potential impacts raised by the other three objectors are more detailed and are additional to simply objecting to the acquisition of land. Detailed discussions have therefore been undertaken with these three objectors and ABP in order to develop the proposed mitigation measures, which have been incorporated into the proposals outlined in the Scheme Evidence Updates presented by myself and others.
- 3.2.25 The project team has met with all of the affected tenants in order to discuss requirements and prepare proposals for relocation, with the exception of Bridge Time, Hedland Engineering, JED Crushing and Screening and Ronnie S Evans whom the project team have had difficulty in contacting.
- 3.2.26 Some existing small boat users who moor their boats on the River Usk but who gain access to their moorings through ABP's Newport Docks would be affected during construction of the Scheme. The draft Compulsory Purchase Order extends over an existing level crossing, which provides access to small boat users from East Way Road, across the railway link to South Dock, to their jetties. However, safe parking and pedestrian access would be maintained during the construction of the Scheme. Restricted access to the jetties would be required for occasional short periods of up to 48 hours during safety critical lifting activities and jetty users would be notified at least 7 days in advance. As stated in the Navigational Risk Assessment (WG 2.4.14.10) contained within the December 2016 Environmental Statement, navigation warnings and notices to mariners would be promulgated to all river users in order to inform them of any construction activities and any periods when navigation would be restricted.

3.2.27 Generally, the majority of the existing land and tenants would be relocated to three land parcels (refer to M4CaN-DJV-GEN-Z3_GEN-SK-CX-0009 contained within Appendix A). These include:

- a) Land Parcel A – located to the south of South Dock;
- b) Land Parcel B – located between the Southern Distributor Road and north quay of South Dock; and
- c) Land Parcel C – located to the south east of South Dock.

3.2.28 Vehicular access to the proposed land parcels A and C would be provided via East Way Road, which abuts the northern and western peripheries of the land parcels respectively. A new access road would be formed from East Way Road, forming a minor / major priority junction and new level crossing located north west of land parcel C. The new access road would be aligned parallel to East Way Road between the South Dock rail link and proposed relocation parcels A and C. This would form the new main access road to premises located south of South Dock making the existing East Way Road to the north and west of land parcels A and C effectively redundant. The new access road would allow improved circulation to land parcels A and C and provide access to the individual relocated premises. Appropriate major / minor priority junctions would be created where necessary along the new access road. Where the new junctions cross over the existing rail links, new level crossings would also be installed. The new road would segregate operations north of the land parcel and would allow for effective circulation within individual plots for them to operate efficiently.

3.2.29 There is also an existing railway link to the north of land parcel A. This extends north between the River Usk and both North and South Docks and is unaffected by the proposals.

- 3.2.30 The Dowds and Origin facilities are proposed to be located as close as possible to South Dock and the existing rail links located to the north of the proposed relocation parcel. This would replicate their current arrangements for access for distribution of goods between their facilities, the quay and railway lines.
- 3.2.31 Vehicular access to the proposed land parcel B would be provided via West Way Road and the diverted Tom Lewis Way which dissects the land parcel. It is proposed to form new minor/major priority junctions to provide access to each premises being relocated. These would allow for effective circulation within individual plots helping to enable them to operate efficiently.
- 3.2.32 Vehicular access to the proposed land parcel C would be designed to accommodate mobile harbour crane movements to ensure access to the ABP Central Workshops external hardstanding for maintenance purposes.
- 3.2.33 Other infrastructure requirements such as foul drainage, electricity, gas, potable water and telecommunications would be met in respect of all relocated premises to an equal standard as existing.
- 3.2.34 It is proposed to gravitate all foul flows generated from the relocated facilities into either existing packaged treatment works, septic tanks or cesspits. Foul flows would then be treated to an appropriate level before being discharged into a nearby water body such as the docks or River Usk. A pumped solution may be required following treatment of foul flows generated from the relocated facilities subject to confirmation of proposed site levels and existing inverts of existing foul infrastructure.

- 3.2.35 New storm networks would need to be installed to serve the proposed relocation works. It is proposed to collect any storm water flows generated from hardstandings via gullies, downpipes and linear drainage channels. Storm flows would then be transmitted via a new storm gravity networks and discharged to either existing storm drainage networks (if capacity allows), nearby water bodies such as South Dock, existing drainage ditches or rivers. No attenuation of storm flows is considered necessary as the discharge location is either under tidal influence or regulated by the locks. Pollution prevention measures such as catchpits and petrol interceptors would be installed prior to discharging into any water body. Surface water runoff generated from parts of the relocated facilities which may be harmful to the environment would need to be stored and disposed to a licensed treatment facility to be dealt with appropriately.
- 3.2.36 New potable water, electrical and telecommunication supplies would be needed for each tenant if served in the existing situation. It is assumed that no increase in demand would be imposed on the dock as all the premises are relocated within the docks. However, that existing supply might need to be diverted elsewhere within the docks to supply the relocated parcels subject to detailed review of the demands and existing networks. No mains gas supply exists within the dock. However, if a bottled gas supply exists these would be relocated within the facilities affected.
- 3.2.37 An Environmental Statement Supplement together with an addendum to the Statement to Inform an Appropriate Assessment have been issued at the same time the Draft Amendment (No.2) Scheme Order on 15 August 2017. The draft Supplementary (No. 4) Compulsory Purchase Order and modifications to the draft Supplementary (No.3) Compulsory Purchase Order (Modification 77) were published on 22 August 2017. Comments on the Environmental Statement Supplement have now been received and Peter Ireland will provide further details, where required.

- 3.2.38 Upon relocating the facilities described above, ABP and their tenants would have new facilities which would be more modern and efficient than the current situation. This can only be of benefit to the future of the docks and the current users (e.g. improved working conditions) albeit with a short term disruption during the relocation and Scheme works.
- 3.2.39 Sheds 1, 2, 2A, 9, 9A and the current ABP Stores together with the land surrounding them would also become available for re-use. The canopy for Shed 9 would be re-erected upon completion of the works.
- 3.2.40 ABP currently have three harbour cranes, which are able to access all areas of the port. ABP make the valid point that with the original Scheme in place Newport Docks would be split into three separate areas, and that the mobile harbour cranes would be unable to travel between these areas as a result of the height restrictions of the bridge. These three areas are to the north of the bridge, and to the east and west of South Dock, south of the bridge.
- 3.2.41 The Welsh Government has accordingly proposed to include access rights and to provide or fund a swing bridge across the southern end of the narrowed extended Junction Cut, so as to enable mobile harbour cranes to move between the east and west side of South Dock, as a part of its package of mitigation measures. This would mean that the port would be split into two areas rather than three. The Welsh Government accepts that there would need to be provision of some new mobile harbour cranes as a result of the splitting of the port into two and as such have offered to fund two additional mobile harbour cranes for use around North Dock.
- 3.2.42 The relocation within the port would require tenant and occupier co-operation and agreement between them, ABP and Welsh Government. The Welsh Government would use its best endeavours to achieve this within the timeframes required to proceed to construct the motorway proposals.

Programme

- 3.2.43 Due to the delayed start to and prolonged duration of the Public Local Inquiry a decision on whether to proceed with the proposed Scheme is not expected until Summer 2018 at the earliest.
- 3.2.44 The progression of the work on ABP facilities (land and marine) and for their tenants would be prioritised if approval for the Scheme is granted and the necessary consents have been achieved. Entry onto their land would be taken at the earliest opportunity, as these works are in effect M4CaN enabling works.
- 3.2.45 The construction of the first 150m of new quay at the north of South Dock and the refurbishment of 250m of existing quay at the south of South Dock would take approximately 18 months to complete. Junction Cut would not be narrowed until this work is completed. Extended working hours would be required in order to complete these programme critical works. Mr Barry Woodman discusses this further in his Scheme Evidence Update.
- 3.2.46 Marine works could be carried out in parallel with the relocation of ABP Workshops, Stores, Medical Centre, Common User Storage Areas and tenant facilities. Completion of replacement facilities would facilitate relocation and be designed to suit the delivery and fit out periods of individual buildings and facilities. A number of relocations would need to be phased to accommodate ongoing operations. Of particular relevance is the seasonality aspects of Origin's work in 9 and 9A Sheds and the delivery of materials to WE Dowds at 10 Shed.
- 3.2.47 The Welsh Government would avoid where practicable taking entry onto any occupied land within the docks to construct the Scheme until the relevant replacement facilities are operational. However, the Welsh Government would take entry into the docks to commence a range of works on unoccupied or vacant land included in the CPO whilst always seeking to minimise potential interference with existing facilities and operations.

- 3.2.48 Outside of the Port, some works directly associated with the Scheme, which can be demonstrated as value for money and reduce risk to the Welsh Government, may also commence in advance of Scheme works within the Port. The extent of these works has still to be determined but could include archaeological investigations, diversion and/or protection of statutory undertaker's equipment, advance environmental mitigation, further ground investigation and the start of detailed design.
- 3.2.49 Within the Port, if agreement can be reached with ABP, some works may also commence early. These works could consist of statutory undertakers diversions, archaeological recordings, environmental mitigation and ground investigations.
- 3.2.50 The M4CaN Scheme programme reflects the scope of works proposed within Newport Docks and an updated construction programme is provided in Mr Barry Woodman's Scheme Evidence Update (WG 1.6.5). A detailed programme for docks tenant relocation and marine works is being developed, in collaboration with ABP and their tenants, so that constraints and risks are managed. Details of the programme and sequencing of the works are included in Appendix A. The sequencing is such that the impact to the operation of the docks is limited and ensures that ABP facilities and tenant relocations are carried out with sufficient time to ensure minimal disruption. Land parcels would be released for the M4CaN Scheme in a phased manner once ABP facilities and tenants are relocated.
- 3.2.51 Based on the above, the date of when the new section of motorway would be open to traffic is intended to be December 2023.
- 3.2.52 A Traffic Management and Access Plan (TMAP) is currently being developed in collaboration with ABP to identify and mitigate potential issues with constriction traffic and port traffic for the land based relocation works and marine works.

3.2.53 Due to the programme criticality of these works, the process of seeking the necessary consents has commenced (see sections 3.2.66 and 3.2.70 to 3.2.80 below). In the knowledge that the outcome of the statutory decision making process and obtaining the necessary consents cannot be pre-determined it is intended that further design and steps of contractor procurement for these works are progressed in advance of any decision making on whether to proceed with the Scheme, but no physical works commenced until a final decision is made.

Construction

3.2.54 Mr Barry Woodman provides an update to marine aspects of the proposed mitigation works within the Newport Docks along with an update to the main M4CaN programme in his updated evidence (WG 1.6.5).

3.2.55 S.250 rights to construct and maintain for an access route through the South Dock lock and South Dock to the site of the bridge protection measures have been included in the draft Supplementary (No.3) Compulsory Purchase Order. This would be to allow the Welsh Government, and its agents and/or contractors, access through the sea lock and from the waters forming South and North Docks and Junction Cut for the purposes of:

- a) Carrying out site investigation in the location of the proposed bridge protection measures This would require access by navigable barge supporting construction equipment capable of drilling into the base of the dock to take samples for their removal and testing

- b) Constructing the proposed bridge protection measures. This would require access by jack-up platforms supporting construction equipment capable driving sheet and circular piles into the base of the dock and harbour tugs to assist with manoeuvring when required. Then filling behind the piled walls with suitable sea dredged material delivered by sea going navigable dredgers.
- c) Regular monitoring and maintenance of the proposed bridge protection measures. This would require access by navigable vessel which can directly access the water side of the protection measures to enable inspections to be carried out at yearly intervals
- d) Carrying out emergency repairs to the proposed bridge protection measures if necessary which could involve the use of equipment referred to in b) above

3.2.56 For a) to d) it would also be necessary for Welsh Government and its agents to have vehicular access via ABP's local road network to the proposed the site of the bridge protection measures.

3.2.57 Those persons and organisations using the access rights would comply with the directions of the Statutory Harbour Authority with regard to safe vessel movements within the docks and Junction Cut.

3.2.58 Should a legal agreement be made between the Welsh Government and ABP to allow the Welsh Government, and its agents and/or contractors, access for a) to d), then the Welsh Government would not invoke powers in relation to Plots 2/1 and 2/1a (in South Dock) of the draft supplementary (No.3) CPO.

3.2.59 The Welsh Government would procure separate contracts for the land-based and marine-based aspects of the proposed mitigation works within the Newport Docks. The procurement process would ensure that ABP would have input and that their interests would be protected.

Environmental Matters

- 3.2.60 An Environmental Statement Supplement (No.5) August 2017 addresses the likely impacts of the work in the Port and concludes there would be no significant effects.
- 3.2.61 The objective of the Environmental Statement Supplement (No.5) is to assess whether, should the port relocation plan proposals proceed, with reasonable and non-controversial mitigation measures during construction, together with best construction practice, the relocation works would have any significant adverse effect on the local environment, or the adjacent internationally and nationally designated sites (the River Usk SAC, the Severn Estuary SAC, SPA and Ramsar, and the River Usk (Lower Usk) SSSI).
- 3.2.62 The likely significant environmental effects of the bridge protection measures at Junction Cut were assessed in the April 2017 Environmental Statement Supplement (No.4). Whilst the layout of the bridge protection measures has changed following further technical discussions between Welsh Government and ABP, the assessment of the likely significant environmental effects remains the same.
- 3.2.63 Minor design changes of the bridge protection measures were discussed in the October 2017 Environmental Statement Supplement (No.6) along with reporting of further ecological surveys undertaken within Newport Docks.
- 3.2.64 Overall, the assessments and survey results reported in Environmental Statement Supplements demonstrate that, should the port relocation plan be implemented with reasonable and non-controversial mitigation measures during construction, together with best construction practice, the relocation works together with the works in South Dock would not have any greater significant adverse effect than that already reported in the original M4CaN Environmental Statement.

- 3.2.65 The evidence of Peter Ireland (WG 1.7.5) provides further information on environmental matters.

Explosive and Hazardous Substances Licences

- 3.2.66 Hazardous Substances Consent would be required in relation to the relocation of Origin Fertilizers from Newport City Council under section 4 of the Planning (Hazardous Substances) Act 1990 and the Planning (Hazardous Substances) (Wales) Regulations 2015. Notification would also be needed to the Health and Safety Executive (HSE) and NRW under regulation 6 of the Control of Major Accident Hazards Regulations 2015. The evidence of Mr Andy Clifton deals with the technical requirements of the Hazardous Substances Consents and he is of the opinion there is no reason to suppose that consent would not be forthcoming.
- 3.2.67 The Welsh Government would compensate ABP for the commercial impact caused by the M4CaN of the reduction in explosives licence the Newport Docks currently holds.

Port Economics

- 3.2.68 Mr Andrew Meaney provides an updated assessment of the impact of the Scheme on Newport Docks in his updated evidence (WG 1.4.6).
- 3.2.69 Mr Andrew Meaney concludes that, on the basis of the works outlined in Section 3.1 above, the two main sources of financial impact identified in his original proof (maritime revenues and rental income) are all but eliminated by the proposed works. He also notes that any residual impact would be outweighed by betterments from the site becoming more attractive to prospective tenants due to its improved connectivity.

Planning Permission

- 3.2.70 Engagement between the Welsh Government, ABP and their respective consultants has established a preferred option for securing the necessary planning permissions to deliver the works required to address the impact on Newport Docks. It is intended to rely principally on powers afforded to ABP (which would need to be exercised by ABP) under Section 24 of the Alexandra (Newport) Docks Act 1865; Section 5 of the Alexandra (Newport and South Wales) Docks and Railways Act 1882, and Section 5 of the Alexandra (Newport and South Wales) Docks and Railways Act 1904, along with rights in Part 11 of the Town and Country Planning (General Permitted Development) Order 1995: Development under Local or Private Acts or Orders.
- 3.2.71 Some of the powers on which ABP would rely are subject to the requirement for Secretary of State consent. This is because of either the provisions of s 12 of the Harbours Docks and Piers Clauses Act 1847, or internal provisions of the various private acts referred to above. However, the Secretary of State's functions will devolve to the Welsh Government shortly under the Wales Act 2017.
- 3.2.72 In conjunction with Secretary of State consent (where required) ABP would rely on Part 11 of the General Permitted Development Order 1995 (GPDO), which requires them to seek the prior approval of Newport City Council for detailed plans and specifications. The GPDO states that prior approval cannot be refused other than on grounds that the development ought to be carried out elsewhere on the land, or that the design and external appearance of the building would injure the amenity of the neighbourhood and is reasonably capable of modification to avoid that injury.

- 3.2.73 Newport City Council planning officers have confirmed that the proposals for the development of new and refurbished quay space, provision of a swing bridge over the Junction Cut, and relocation (and associated construction) of buildings at Newport Docks constitutes development requiring an Environmental Impact Assessment (EIA). The withdrawal of permitted development rights where an EIA is required does not apply in respect of Part 11 of the General Permitted Development Order.
- 3.2.74 There is a requirement for an EIA under the Marine Works Regulations 2007, where consents are sought under either the 1847 Act or the various private acts. The EIA would also accompany the application for prior approval to NCC under the Town and Country Planning (Environmental Impact Assessment) Regulations 2017.
- 3.2.75 The applications are for ABP to make and the Welsh Government is committed to working collaboratively with ABP to progress the necessary submissions.
- 3.2.76 Some elements of the works (particularly those along the Docks Way Junction link to the A48) can be progressed under Part 13 of the GDPO. Again, these permitted development rights are not withdrawn notwithstanding that the proposed works may be EIA development. However again it would be required to show that there would be no impact on the integrity of the SPA/SAC.

3.2.77 Mr John Davies provides further information concerning planning permission and the requirement for Environmental Impact Assessment in his updated Proof of Evidence (WG 1.23.6). He deals with the planning policy framework related to ports and explains how this supports the grant of planning permission for the proposed mitigation works. He explains why in his view, subject to detailed considerations of design, siting and measures to ensure flood risk is addressed, there is no apparent planning reason why permission should not be granted for the Welsh Government's proposals to address the impact of the Scheme on Newport Docks. He also details how the Welsh Government has acted in accordance with the sustainable development principle in the Well-being of Future Generations (Wales) Act 2015.

Other Consents

- 3.2.78 The use of ABP's private Act port related powers described in the section above would, together with the scheme Orders, avoid the need for the obtaining of a Harbour Revision Order to address any impacts on public rights of navigation within the Port.
- 3.2.79 The ABP and Tenant Relocation Proposals (see Appendix A) would also require marine licences from Natural Resources Wales (NRW), for marine works (i.e. within the water in the docks) and for dredging and disposal at sea.
- 3.2.80 An Environmental Statement would be submitted in support of the Marine Licence application(s) in accordance with the Marine Works (Environmental Impact Assessment) (Amendment) Regulations 2017. The requirements for the Marine Licences are addressed by Dr Peter Ireland and there is no reason to suppose that these would not be forthcoming. The applications for marine licences would be for the Welsh Government to make.

Appropriate Assessment

- 3.2.81 As John Davies explains in his evidence, it is intended to carry out development in reliance on the permitted development rights afforded by Parts 11 and 13 of the GPDO 1995. In order to satisfy the requirements of article 3(1) of the GPDO 1995 and paragraph 63 to 68 of the Conservation of Habitats and Species Regulations 2017 ABP will require approval from NRW under paragraph 76 of the 2017 Regulations.
- 3.2.82 The August 2017 Addendum to the Statement to Inform an Appropriate Assessment (Document 2.8.9), which has been subject to consultation with NRW, addresses all matters pertinent to the Newport Docks proposals and as such I agree with John Davies' conclusion that there would be no barrier to the necessary approval being given.
- 3.2.83 A section 106 agreement or unilateral undertaking is proposed to ensure that mitigation is delivered to avoid impact on the integrity of the nearby Severn Estuary SPA and River Usk SAC.

Operation and Maintenance

- 3.2.84 Welsh Government requires rights for waterway access to maintain the bridge protection measures. The draft Supplementary (No. 3) Compulsory Purchase Order was published on this basis with S250 rights provided for an access route through the South Dock lock and the South Dock to the site of the bridge protection measures. ABP's concerns over the Welsh Government's potential control of the entire waterway is recognised. To address this, I can confirm that Welsh Government would not seek unfettered access and in exercising the rights of access would cooperate with ABP's reasonable requirements.

3.2.85 As outlined above, the Welsh Government would not invoke Plots 2/1 and 2/1a (South Dock) of the draft Supplementary (No.3) Compulsory Purchase Order if a legal agreement can be reached which provides access for the activities outlined above.

3.2.86 The Welsh Government recognises that the existence of an elevated motorway through Newport Docks may give rise to new risks to operations in the port. Therefore, the Welsh Government is willing to provide ABP with an indemnity in respect of those new risks.

Port Security

3.2.87 The Welsh Government have appropriately engaged with the Newport Docks Port Security Authority (PSA) and are currently concluding terms of an agreement with them to address security matters throughout design, construction, operation and maintenance of the Scheme. The agreement is anticipated to facilitate the PSA withdrawing their objection and the inquiry will be updated on this in due course.

3.2.88 The Department for Transport have confirmed that the Welsh Government may become a member of the Port Security Authority (PSA). I have had confirmation from the Department for Transport that I have satisfied the requirements of the Counter Terrorist Check (CTC) clearance and I have successfully completed the mandatory training required to become a Port Facility Security Officer. This will allow me to become the designated Single Point of Contact for the Scheme. Welsh Government membership of the PSA would simplify arrangements for managing access both during construction as well as for operation and maintenance.

3.2.89 The Welsh Government acknowledges the need for a secure port and does not propose to give detailed evidence in relation to port security matters, in order to help ensure that security is not prejudiced in any way.

Newport Harbour Commissioners (OBJ-0071)

- 3.2.90 The Newport Harbour Commissioners have objected to the draft statutory Orders on the grounds of:
- a) The ABP alternative route would alleviate the major disadvantages to be suffered by the Port.
 - b) The CPO proposed by the draft supplementary (No. 3) Order seeks to override current statutory provisions that allow the Commissioners to carry out their statutory obligations within their areas of jurisdiction and to maintain an open Port.
 - c) There could be a material effect on the operating arrangements of NHC and also their financial position. The costs of administering the NHC, would have to be covered by the remaining stakeholders. This would lead to higher harbour dues per vessel and the proposed restrictions on foreign trade will not assist Newport to thrive.
 - d) The construction of a motorway across the Port of Newport would have a deleterious effect on the local economy.
- 3.2.91 I will discuss each of these points in turn and refer to the work of the other Welsh Government expert witnesses where required.
- 3.2.92 The Newport Harbour Commissioners do not define what the “major disadvantages” they anticipate to be suffered by the “Port” are or what they define the “Port” to be. The Welsh Government does not consider that the ABP alternative routes provide any significant benefits to the River Usk users over the proposed Scheme. As such, the Welsh Government deduces that the Newport Harbour Commissioners are referring to the Newport Docks in relation to the effect of the Scheme/alternative. The mitigation measures described in my Scheme Evidence Update have been developed in consultation with ABP in order to ensure that there would be no disadvantage suffered by the Newport Docks due to the proposed Scheme.

- 3.2.93 CPO No. 3 would allow for S250 rights to be acquired over part of the River Usk outside of the Newport Docks Sea Lock. The Welsh Government would comply with the directions of the Newport Harbour Commissioners whenever they are operating within any part of the Newport Harbour's jurisdiction regardless of whether they had acquired S250 rights.
- 3.2.94 Mr Jonathan Vine explains in his Scheme Evidence Update (WG 1.22.5) that with the proposed mitigation measures in place the vessel visits to the Newport Docks could remain at their current levels and as such would not affect the NHC's revenues.
- 3.2.95 Mr Stephen Bussell explains in his Scheme Evidence Update (WG 1.3.6) that the proposed scheme would have a strongly positive economic impact on the local economy.

TU Agencies Ltd (OBJ-0147)

- 3.2.96 TU Agencies Ltd have objected to the draft statutory Orders on the grounds that the proposed Scheme would reduce the accessibility for vessels to enter North Dock.
- 3.2.97 As I have stated in Section 3.2.16 above, Mr Jonathan Vine and Mr Andrew Meaney, assisted by the project development team, have undertaken shipping and economic analysis to demonstrate that the measures outlined in Section 3.2.15 above are appropriate to mitigate the impact the Scheme could have on the current and future shipping movements within Newport Docks.

3.3 Change in predicted traffic flows for revised opening year

- 3.3.1 Mr Bryan Whittaker has indicated in his Scheme Evidence Update (WG 1.2.8) that the net effect of the change in opening years from 2022 to 2024 is a 1.7% growth in flows observed at the opening year and all future years.

3.3.2 Mr Ben Sibert, Mr Stephen Bussell, Mr Tim Chapman, Dr Michael Bull and Mr Philip Evans will provide an update on any changes to the engineering proposals, value for money, carbon, air quality and noise aspects which result from the increase in predicted traffic flows due the revised opening year.

3.4 Costs, Budgets and Value for Money

3.4.1 The cost estimate for the Scheme has been updated to account for the costs of the measures described in Section 3.1.

3.4.2 The current estimate, in the same format as that presented within the Scheme Assessment Report (WG 2.3.6), is set out in Table 1 below.

3.4.3 The construction costs of the bridge protection measures is estimated at £17.5m and allowances for Project Risk and Optimism Bias have been reduced by this amount. The costs of the other works within Newport Docks, over and above existing allocations within the land and compensation allowance, is estimated at £167.5m (which includes a risk allowance and contingencies of £31.2m).

3.4.4 £37.5m of the £167.5m would be provided by a contribution from the Welsh Government's Economic Development Fund. This reflects to the consequential benefits which would accrue to the wider Welsh Economy due to the works within the Docks.

3.4.5 Whilst the £167.5m is shown as outside the core Scheme costs in Table 1 below it has been accounted for in the economic appraisal of the Scheme.

3.4.6 The costs associated with the current design stage (Key Stage 4) have also been increased by £22m to reflect the extended Public Local Inquiry process.

3.4.7 The net effect on the capital costs of the Scheme is an increase in total Scheme costs from £1,131bn to £1,321bn. The expenditure profile has also been updated to take account of delays in the Public Local Inquiry process and the requirement to undertake additional works in Newport Docks in advance of the construction of the proposed Usk Crossing.

Table 1: Scheme Investment Costs (Q4 2015 prices, £millions)

Component	Scheme Costs (December 2016 Revised Economic Appraisal Report)	Eastbound off-slip net additional costs	Updated Scheme Costs (March 2017 Revised Economic Appraisal Report Supplement)	Newport Docks Mitigation, Bridge Protection Works and extension of PLI net additional costs	Updated Scheme Costs (December 2017 Revised Economic Appraisal Report Supplement No.2)
Preliminaries including Traffic Management	£212.0	+£1.1	£213.1	-	£213.1
Roadworks	£268.0	+£1.2	£269.2	-	£269.2
Structures	£296.9	+£0.1	£297.0	+£17.5	£314.5
Landscaping and environmental works	£44.8	+£0.1	£44.9	-	£44.9
Works by other authorities	£38.3	+£0.5	£38.8	-	£38.8
Land and Compensation costs	£92.0	+£0.3	£92.3	-	£92.3
Risk and Optimism Bias	£141.3	(+£1.5 less £4.8) = - £3.3	£138.0	-£17.5	£120.4
Project Estimate excluding VAT and Inflation	£1,093.2	-	£1,093.2	-	£1,093.2
Key Stage 4 Costs	£22.0	NA	£22.0	+£22.0	£44.0
Reclassification and reconfiguration of Caerleon Junction ^[1] (including Optimism Bias)	£16.2	NA	£16.2	-	£16.2
Newport Docks Works	-	-	-	+£136.3	£167.5
Newport Docks Works – Risk and Contingencies	-	-	-	+£31.2	
Total Costs	£1,131.3	-	£1,131.3	+£189.5	£1,320.8

^[1] These costs are not being delivered as part of the contract to construct the proposed new motorway.

3.4.8 Mr Stephen Bussell, in his updated evidence (WG 1.3.6), has assessed the value for money of the Scheme. Under this scenario, the Initial BCR for the Scheme – updated to include the costs of mitigation works at Newport Docks – is 1.70. When Wider Impacts are included in the assessment, the Adjusted BCR for the Scheme is 2.29.

3.4.9 For comparison, the March 2017 Revised Economic Appraisal Report Supplement (WG 2.5.3) showed an Initial BCR of 1.66 and an Adjusted BCR of 2.27. As reported in my previous Scheme Evidence Update (WG 1.1.7), the Initial and Adjusted BCRs increased to 1.87 and 2.52, respectively, when the core traffic scenario changed from Half Tolls to No Tolls. Table 2 below provides a summary of the previously reported BCRs.

Table 2: BCR Summary

Benefit	Half toll scenario (March 2017 Revised EAR Supplement)	No toll scenario (June 2017 WG 1.3.5 No Tolls Sensitivity)	No toll scenario (December Revised EAR Supplement No.2)
Initial BCR	1.66	1.87	1.70
Adjusted BCR	2.27	2.52	2.29

3.4.10 Whilst the Scheme costs have increased, Mr Stephen Bussell reports that the quantified value for money of the Scheme is slightly improved since it was reported in the March 2017 Revised Economic Appraisal Report Supplement due to the increase in Scheme benefits now predicted following the UK Government's decision to abolish the Severn Crossing Tolls. As such, the Scheme continues to offer value for money.

3.4.11 The economic appraisal demonstrates that the benefits of the Scheme would substantially outweigh its costs and therefore the Scheme represents value for money.

4 CONCLUSIONS

- 4.1 Since the publication of the original draft Orders for the M4CaN Scheme, the Welsh Government has collaborated with ABP and their tenants regarding the potential impact the proposed Scheme may have on the water and land based operations at Newport Docks.
- 4.2 The Welsh Government, involving ABP and other stakeholders, has developed a revised solution for protecting the River Usk Crossing where it passes over the Junction Cut. These works are reflected in the published supplementary draft Orders.
- 4.3 I have also outlined a series of measures proposed to address the potential impact of the M4CaN Scheme on Newport Docks. These measures have been developed in collaboration with ABP and their tenants and align with the proposals outlined in a draft legal agreement, which the Welsh Government and ABP have been jointly developing.
- 4.4 The Welsh Government is working with ABP to develop a consenting strategy for the proposed works to deliver these mitigation measures and there appears to be no impediment to the granting of the required consents.
- 4.5 I acknowledge that delivery of some of the mitigation measures would require co-operation from ABP and their tenants and occupiers. The Welsh Government will continue to use reasonable endeavours to finalise those matters.
- 4.6 Due to the delayed start to and prolonged duration of the Public Local Inquiry and the programme implication of delivering of the additional works within the Newport Docks, the date of when the new section motorway would be open to traffic is now programmed as December 2023. Should the Scheme proceed, efficiencies would be sought during detailed design to minimise programme.

- 4.7 A revised economic appraisal has been undertaken. The Initial BCR for the Scheme, updated to include the costs of mitigation works at Newport Docks, is 1.70. When Wider Impacts are included in the assessment, the Adjusted BCR for the Scheme is 2.29. The Scheme therefore constitutes value for money.
- 4.8 I recognise that there would be temporary disruption or inconvenience within the docks during works. However, with the mitigation works now proposed any impact on ABP's statutory undertaking at Newport Docks would be mitigated, including the reasonable requirements of navigation, and there would be no serious detriment to ABP, its tenants, occupiers or any other port stakeholders.