

Evidence Paper in advance of the Public Accounts Committee Scrutiny Session – 15.07.2019

Development Expenditure on the M4 Corridor around Newport Project

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This paper provides written evidence to the Public Accounts Committee on expenditure on developing the M4 Corridor around Newport Project ('the M4 Project') up to the point of the First Ministers decision not to make the statutory Orders.

Whilst the Committee is clearly not scrutinising the First Minister's decision or the next steps set out by the Minister for Economy and Transport, a summary of the latest position is provided below.

In his oral statement on 4 June, the First Minister set out that he would not be making the statutory Orders for the M4 Project due to the capital spending demands for the coming years across all portfolios, and the greater weight that the First Minister placed on the adverse impacts that the project would have on the environment than the Planning Inspector had, when balanced against the expected benefits.

On 5 June, the Minister for Economy and Transport set out implementation of a suite of measures to provide modest but immediate benefits including additional traffic officers, dedicated on-call recovery vehicles, live journey time information, exploring the operation of junctions and a driver behaviour campaign. He also set out details of a South East Wales Transport Commission to consider congestion on the M4 in south east Wales, and make recommendations to the Welsh Government on a suite of alternative solutions in the light of the First Minister's decision.

The Terms of Reference of the Commission were published on 5 June and it was announced that Lord Terry Burns will be its Chair. The Minister for Economy and Transport's statement is available here: <https://gov.wales/m4-newport-next-steps>.

Section 1: Steps taken and procedures followed for the development of the proposals.

Processes are in place for ensuring staged decision making and value for money from consideration of transport infrastructure interventions such as the M4 Project, which followed the timeline as summarised in Table 1 below.

Table 1 – General Timeline

Date	Step
Prior to 2013	Variants of a new section of motorway were considered up to a decision it was unaffordable in 2009. Between 2010 and 2012 packages of cheaper measures were considered under the 'M4 Corridor Enhancement Measures' Programme. These costs are considered outside of the development of the M4 Project, but total £24.7m dating back to 1992.
March 2013	Cabinet considered a paper from the Transport Minister on the strategic enhancement of the M4 including the outcome of the M4CEM consultation. Cabinet endorsed the next steps for progression of the scheme pending agreement of access to borrowing powers.
June 2013	Following agreement of early access to borrowing powers, and the WelTAG process [explained further in this evidence paper], Cabinet considered a paper from the Transport Minister recommending next steps be taken to publish a strategic 'draft Plan' for a new section of motorway and complementary measures, alongside announcements to proceed with the SE Wales Metro.
2013 - 2014	'Strategic Environmental Assessment' was carried out in accordance with EU Directive 2001/42/EC. This process provides for the high level protection of the environment, by ensuring the integration of environmental considerations into the preparation of plans and programmes (before they become 'projects') and to contribute to the promotion of sustainable development and environmental protection. This included Health and Equalities impact assessments and consultations, testing of 'reasonable alternatives' and stakeholder/public.
July 2014	Cabinet approval to finance the M4 Project through a combination of direct borrowing and capital budgets, followed by a transport Minister decision to adopt the strategic Plan for a new section of motorway. Effectively the decision by Welsh Ministers to proceed with project level development.
2015	Judicial Review of Welsh Ministers strategic decision. Appointment of an Employer's Agent (Arcadis) and an Early Contractor Involvement Team to develop the project level detail. This team consisted of an international consortium of Costain, Vinci Grand Projects Taylor Woodrow, as contractors, with designers Arup and Atkins and environmental advisors RPS.
Mar 2016 – Mar 2018	Following Ministerial approvals, publication of draft Orders and accompanying design and environmental information, up to close of Public Inquiry.
Sept 2018 – Feb 2019	Receipt of Inspectors Report by Welsh Government officials, due diligence work carried out inc. legal and policy review.
Feb 2019 – June 2019	Consideration of Inspector's report and advice by First Minister including Cabinet discussion on affordability.
4 June 2019	First Minister's decision not to proceed with making the Orders.

Welsh Transport Appraisal Guidance (WeITAG) Process

The development of the M4 Project followed the WeITAG process.

The WeITAG process is Welsh Government's structured process for developing a proposed intervention to the transport system, from assessment of the problem, consideration of possible solutions and scheme design, through to implementation and project evaluation.

There are five WeITAG stages as shown in Figure 1 overleaf. The first three stages lead up to the selection of the proposed intervention. The final two stages cover the period during and after implementation, recording what actually happens and is achieved.

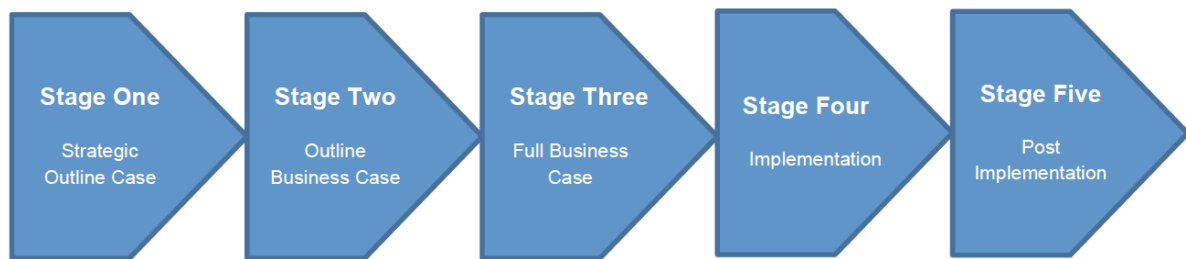


Figure 1 - WeITAG Stages

The 2013 WeITAG Stages 1 and 2 reports are available here: <http://m4-newport.persona-pi.com/4-scheme-development-and-alternatives>. The related business cases are provided below.

Strategic Environmental Assessment

Due to the scale of the proposals it was concluded that a 'Strategic Environmental Assessment' process was legally appropriate to comply with European Environmental Regulations. The SEA procedure requires that an environmental report is prepared in which the likely significant effects on the environment and the reasonable alternatives of the proposed plan or programme are identified. The public and the environmental authorities are informed and consulted on the draft plan or programme and the environmental report prepared. This process involved:

- Proposal and assessment of a 'draft Plan'
- Assessment of 'Reasonable Alternatives'.
- Strategic Environmental Assessment including Habitats Regulations Assessment.
- Production of a Health Impact Assessment and workshop with stakeholders.
- Equality Impact Assessment and workshop with stakeholders.
- Public consultation and exhibitions on the above.

Although this work was technically in advance of the project level development, it is included in the information provided to the Committee on costs associated with the M4 Project as it directly informed the strategic decision to proceed with a project.

Business Cases

Business cases have been prepared for the staged approvals of the proposals in accordance with Treasury Green Book 'five case business model' guidance.

The strategic decision to proceed with the development of the M4 Project in 2014 was informed by the 2014 Outline Business Case:

<http://www.m4newport.com/assets/business-case-20142.pdf>

The Public Inquiry process was informed by a 2016 Economic Assessment Report and 2016 Wider Economic Assessment Report. During the course of the Inquiry a significant change in scope of the project occurred to mitigate impacts on Newport Docks. As a result the Economic Assessment Report was revised, as was the Wider Economic Assessment Report. All these reports are available here: <https://gov.wales/m4-corridor-around-newport>

Key Stage Approval Process

The delivery of Welsh Government major road projects follows a linear Key Stage Approval (KSA) process providing the financial approval framework for the projects covering option appraisal, design, the statutory process, construction and aftercare. Project progression is dependent upon a stage gate review and Ministerial approval. The Key Stage approvals process also includes a series of gateway reviews.

The Key Stage Approval process aligns with the WelTAG process and is based on the 'PRINCE2' project management techniques.

Following the strategic decision to proceed with taking forward a new section of motorway in 2013 (and the subsequent Judicial Review for which costs are allocated in this paper) the M4 Project commenced 'Key Stage 3', up to publication of draft Orders and all relevant information to enable the statutory decision making process. 'Key Stage 4' was also completed which spans from the publication of the draft Orders through Public Inquiry up to the point of a decision on whether to proceed to construction.

Project Development Activities and Outputs

Some of the activities and outputs of the development stages of the M4 Project, from preferred route to statutory decision making, included those set out in Figure 2 below.

These were primarily produced by the Costain Vinci Joint Venture 'Early Contractor Involvement' Team Technical and Procedural Team. The expenditure with whom is set out in Table 2 below.

- Ground investigation to inform preliminary project design and increase construction forecast accuracy.
 - Production of preliminary design in accordance with the Welsh Government's 'Design Manual for Roads and Bridges' (DMRB) to take scheme through to draft orders.
 - Public Information Exhibition presentation material preparation and holding of 10 No. Exhibitions, including advertising costs.
 - Report on Public Information Exhibition.
 - Design Options Report.
 - Traffic Surveys Report.
 - Traffic Forecasting and Local Model Validation Report.
 - A report on the future maintenance requirements for the Usk Bridge.
 - Alignment Report.
 - Junction Strategy Report.
 - Land Use and Ownership Report.
 - Ground Investigation Report.
 - Geotechnical Design Report.
 - Economic Assessment Report.
 - Ecological and landscaping design and production of draft Environmental Masterplans.
 - Stage 1 Road Safety Audit.
 - Departures from Standards development and Report.
 - Stage 3 Scheme Assessment Report.
 - Final 1:2500 Preliminary design proposals with Environmental Masterplans.
 - Initial Target Cost and Activity Schedules.
 - Land Reference Plans and Schedules.
 - Draft Construction Environmental Management Plan.
 - Wider Economic Impact Assessment
 - Final draft Line and Side Road Order plans and schedules for around 200 land interests, plus liaison with each landowner to discuss.
 - Final Draft CPO plans and schedules.
 - Development of Construction Target Cost.
 - Order Publication Report.
 - Assessment of Impact on European Sites Screening Report.
 - Environmental Impact Assessment and Assessment of Impacts on European Sites Scoping Report.
 - Environmental Statement (12 Volumes covering all environmental impacts such as air quality, landscape & visual and ecology).
 - Final Environmental Masterplans.
 - ES Non-technical summary (NTS).
 - Final Statement to Inform an Appropriate Assessment.
 - Orders Exhibition presentation material preparation and managing of Exhibitions.
 - "Ghost" environmental licences and consent preparation and discussion with NRW.
 - Water Framework Directive Compliance Assessment and discussion with NRW.
 - Orders exhibition report.
 - Draft responses and rebuttals to objections.
 - Proofs of evidence preparation for 22 witnesses and attendance of witnesses at Inquiry.
 - Review and responses to c6500 submissions to the Public Inquiry.
 - Assessment of alternatives (28) and production of report, plus specific additional assessment of 'blue route'.
 - Report on Public Inquiry.
 - Schedule of accommodation works and liaison with landowners to develop.
 - Updated Pre-Construction Env. Management Plan.
 - Development of Environmental Monitoring Requirements and agreement with NRW.
 - Review and Monitoring Compliance Report.
- Copies of reports available here:
<https://gov.wales/m4-corridor-around-newport>

Figure 2 – M4 Project Development Activities and Outputs

Section 2: Expenditure details

A summary of expenditure on the development of the M4 Corridor around Newport Project is set out in Table 2 below.

Whilst technically prior to the establishment of the M4 Project, for completeness this table includes costs for strategic work in 2013 that informed the 2014 decision to proceed with construction. That strategic work included Strategic Environmental Assessment, Habitats Regulations Assessment, Equality Impact Assessment, Health Impact Assessment, public consultation and a subsequent Judicial Review.

Some of the activities and outputs of this development expenditure are listed in Figure 2 of this paper. Necessary work to inform statutory decision making is strictly defined by guidance and legislation such as; WeTAG (explained in Section 1 of this paper), the Design Manual for Roads and Bridges, the Highways Act, Environmental Impact Assessment Regulations and the Compulsory Purchase Act.

Table 2 - M4 Project Development Expenditure Summary Totals

	Costain Vinci Joint Venture 'Early Contractor Involvement' Team Technical and Procedural Work £m	Statutory Undertakers (Utilities) Design and Preparation Costs £m	Employers Agent Technical, Commercial and Contractual Work £m	Stakeholder Expenditure and Public Inquiry/ Legal costs £m	Land Expenditure on Successful Blight Applications £m	Early development costs in 2013	Total amount Inc Vat £m
2013 – Mar 2016 (Welsh Gov. Key Stage 3 i.e. decision to proceed with project up to publication of draft Orders)	26.422	0	2.031	1.883	4.113	1.7	36.149
Apr 2016 – Mar 2019 (Welsh Gov Key Stage 4 i.e. publication of draft Orders through to statutory decision by FM)	53.590	1.202	3.408	13.150	6.610	0	77.96
Totals	80.012*	1.202	5.439*	15.033	10.723	1.7	£114.109m

Development Costs Summary

*See Figure 2 on page 5 for examples of the outputs of this expenditure.

The total expenditure on developing the M4 Project since 2013/14 has been **£114m (inc VAT)**. This includes costs for the preceding ‘Strategic Environmental Assessment’ and subsequent Judicial Review of the strategic decision to proceed through to project development, the extensive public engagement and full inquiry process.

£114m includes the Inquiry preparation and running costs which were estimated at £22m at the start of the Inquiry (Feb 17). During the course of the Inquiry this estimate was revised to £44m (Dec 17). Increases reflected the need to extend the length of the Inquiry to properly consider all alternatives and issues raised, and the extent of work necessary to develop the proposals in light of changes in scope arising from extensive and detailed liaison with stakeholders such as Natural Resources Wales regarding the extent of environmental mitigation and Associated British Ports regarding mitigation measures in Newport Docks.

The eventual out-turn of this element was **£53m**, exc. VAT, or £61m including VAT. **£61m** is the final figure included in the £114m. Expenditure was subject to ministerial approvals as set out in Section 3 of this paper. Within the **£61m** for Inquiry preparation and running costs the actual outturn cost of the Inquiry administration was **£11.5m** consisting of:

- Independent inspectors - £445,708
- Inspector's team - £89,865
- Legal costs - £1,128,761
- Professional fees - £8,728,553
- Administration - £1,072,354.

Construction Cost Estimate Summary

Whilst outside of the remit of the Committee’s scrutiny of development costs, a table is provided below of the scheme construction cost estimate.

At the start of Inquiry the cost estimate for the construction of the scheme was **£1,131m**, exc. VAT at Q4 2015 prices. Table 3 below shows changes in scope during the course of the Inquiry, the largest of which were a new slip-road in response to an objection by Roadchef at Magor Services and introduction of £136.3m (plus contingencies) of accommodation works for Newport Docks. This significant change arose through the need to mitigate potential of ‘serious detriment’ to the statutory undertaking of the port. This increased the construction estimate from £1,131m to **£1,321m** (exc VAT at Q4 2015 prices).

Anticipated ‘Winding Up’ Costs

At the point of ministerial decision the estimated costs of concluding the current statutory processes and winding up the M4 Project are £9.2m. This covers activities including stakeholder liaison, handling of lands and compensation matters and also to ensure that all data compiled as part of this process (such as traffic models and environmental survey data) is appropriately logged and handed over to the newly forming South East Wales Transport Commission. This will ensure retained value of development expenditure to date is maximised.

Table 3 - Construction Cost Estimate Tracker during Inquiry
 (£m, exc VAT, Q4 2015 price base)

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

Section 3: Value for money considerations i.e. procurement processes and Ministerial approvals.

Measures to ensure Value for Money of M4 Project Development Activities

The following measures were taken to ensure that expenditure on developing the M4 Project provided value for money:

- Ministerial approvals of expenditure budgets in advance of spend.
- Use of Government standard stage-gate approval processes.
- Use of Government standard development processes such as Key Stage process and Design Manual for Roads and Bridges.
- Open procurement of suppliers for development activities with competitive tenders to ensure quality of deliverables and competitive rates.
- Specialist, Chartered Engineer, staff directly employed by Welsh Government to manage and direct development activities and make client decisions (via ministerial recommendations) on matters such as scope of ground investigation boreholes, balancing survey costs incurred and enhanced accuracy of site information and therefore later construction cost variation.
- Appointment of an Employer's Agent to monitor and manage technical, commercial and contractual matters across development suppliers.

General Value for Money Assessment of Projects

Assessment of the value for money provided by transport schemes involves evaluating the social, cultural, environmental and economic impacts.

The Welsh Government follows an evidence based approach for understanding the performance of the transport system, assessing the need for intervention and considering the social, environmental and economic impacts of our plans for the transport system. These provide consistent and comparable information across the whole of Wales for the transport system and guide our interventions. The general principles that informing our approach are set out in a) to d) below:

- a. The case for any intervention or specific project proposed should be backed by clear evidence of an issue(s) that needs to be addressed and evidence that the intervention or project will actually be effective in addressing that issue(s).
- b. A project will only be progressed if it supported by a viable business case. That business case should be proportionate to the level of investment involved and must be properly validated.
- c. Where a evaluation or other evidence suggests an intervention or project is not being delivered effectively and / or will not deliver the anticipated benefits, this will be investigated and the intervention or project halted if that is the most appropriate and cost effective solution.
- d. All projects will be evaluated and the benefits delivered recorded and tested against the businesses case.

Procurement and Management of M4 Project Suppliers

The European Union Procurement Directives establish public procurement rules throughout the European Union and apply to any public purchases above the defined thresholds. The purpose of the directives is to open up public procurement within the European Union and to ensure the free movement of supplies, services and works. The directives are enacted in the UK by The Public Contracts Regulations (the Regulations).

The Regulations set out rules requiring that such contracts must be advertised (contract notices published) in the Official Journal of the European Union (OJEU). Suppliers for the M4 Project have been procured under the Regulations including the two primary roles for preliminary development up to publication of draft Orders (Welsh Gov. Key Stage 3) and from then to completion of the statutory process including Public Inquiry (Welsh Gov. Key Stage 4); the Employer's Agent (Arcadis) and the Early Contractor Involvement (ECI) Technical and Procedural Team (Costain Vinci Joint Venture).

Tenders were procured using the most economically advantageous tender (MEAT). The MEAT criterion enables the contracting authority to take account of criteria that reflect qualitative, technical and sustainable aspects of the tender submission as well as price when reaching an award decision. Both Employer's Agents and ECI tenderers submitted competitive rates which formed part of the overall criterion when reaching a decision to award them contracts (via ministerial approval).

The Employer's Agent Contract was based on the New Engineering Contract NEC3 Professional Services Contract (PSC) and was awarded for Key Stages 3, 4 and 6 (potential construction). The ECI Contractor's Contract was based on the NEC3 PSC and was awarded for key stages 3 and 4. An option for the ECI Contractor to proceed to KS6 under the NEC3 Engineering and Construction Contract (ECC) was available. However, if the scheme had progressed to KS6 it was the WG's intention to re-procure a design and build contract to ensure value for money was being achieved.

The Employer's Agent duties included the financial and technical monitoring of the ECI contractors' submissions to ensure best value was being obtained for their services. All change management was recorded with a full record of Compensation Events (CEs) being validated by the Welsh Government and instructed by the Employer's Agent. Some of the more significant CEs were for design change to 'value engineer' the scheme and ground investigation to de-risk the project by providing greater cost certainty. In doing so proposals were submitted by the ECI contractor. Welsh Government officials utilised the Employer's Agent to provide technical and commercial validation to recommend a scope and price to be taken forward via an instruction and subsequent CE.

This expenditure formed part of the overall KS3 and KS4 budgets which were managed as a whole (including Land / statutory undertaker's / 3rd party costs / ECI contractor / Employer's Agent etc.) by the Employer's Agent on behalf of the Welsh Government with any change being recorded and monitored via the change management process.

The 15 suppliers with the highest expenditure on development activities are listed in Table 4 below with a summary how they were procured and the activities they carried out are set out below.

Table 4 – Suppliers by Highest Spend Re: M4 Project

Supplier by Highest Spend	Spend since 2013	Procurement Method	Activities
COSTAIN VINCI JOINT VENTURE	78.5m	OJEU Tender	Provision of project development services including environmental and ground investigation and taking the Project through statutory process including Inquiry. [Plus other activities listed in Fig.2 on p.5]
ARCADIS LLP	7.6m	OJEU Tender	Provision of Employer's Agent services including project management, cost and commercial management, technical advice and support. Subconsultant advice support as ports and maritime specialists re: Newport Docks.
GELDARDS LLP	2.3m	Framework Supplier	Provision of legal advice for PLI and ABP agreements. Plus provision of QC services to Inquiry.
OVE ARUP AND PARTNERS INTL LTD	5.2m	OJEU Tender	Technical support through the 2013 Strategic Environmental Assessment including health and equalities impact assessments and stakeholder engagement.
ASSOCIATED BRITISH PORTS	6.0m	Via ABP with verification by WG	Payments to ABP for developing measures to repurpose areas to relocate tenants from the line of the road and to improve quayside to mitigate for the reduction in access to north dock. Costs included technical and legal advisors as well as ABP staff time to consider the project.
GEOTECHNICAL ENGINEERING	1.5m	OJEU Tender	Early ground investigation to inform the tendering process for development team. Further GI costs in the CVJV activities.
PLANNING INSPECTORATE	0.6m	Sole provider of service to WG.	Provision of engineering and planning Inspectors plus a programme officer for yearlong Inquiry plus subsequent report writing.
DWR CYMRU WELSH WATER	0.6m	Single Tender Action – Departure in place	Early estimating and design work (C3 and C4 process) to plan temporary and permanent diversions of services to minimise impacts on both DCWW and the engineering work for the M4 Project.
MOTT MACDONALD LTD	0.5m	Framework Supplier	Provision of traffic modelling advice.
TATA STEEL UK LIMITED	0.5m	Via Tata with verification by WG	Payments to TATA for development of replacement settlement lagoons and other measures to mitigate scheme impact and reduce compensation liability.
LINC-CYMRU HOUSING ASSOCIATION LTD	0.4m	N/A	Payments for use of Lysaght building to run orders exhibition and PLI.
JACOBS UK LTD	0.4m	OJEU Tender	Provision of Employer's Agent services including project management, cost and commercial management and technical advice for the Docks Contract.
WPD SMART METERING LIMITED	0.3m	Single Tender Action – Departure in place	Early estimating and design work (C3 and C4 process) by utilities.

Ministerial Approvals

All expenditure received ministerial approval in accordance with standard Welsh Government procedures including review by transport, or central, finance departments.

Expenditure budgets have routinely been set on an activity basis or financial year basis as most appropriate for the activities. Actual spend and end of financial year forecast have been monitored and managed by officials on a monthly basis to ensure appropriate officials are aware of, and able to respond to, potential over or underspends.

Section 4: Benchmarking of expenditure

Expenditure on the development of the M4 Project has been comparable to other infrastructure projects as set out in Table 5 below.

As a percentage, spend has been lower, generally due to economies of scale.

It is notable that other projects will not incurred the 'Strategic Environmental Assessment' and Judicial Review costs, that have been included in the M4 Project development costs for completeness although technically there took place before the proposal was defined as a project.

M4 Project development costs also include for **£10.723m** of land acquisition since 2013, which other projects may not have incurred.

Table 5 - Project Development Costs as a % of Scheme Cost

Project	Development costs Exc Vat £m	Scheme Cost Exc VAT £m	Development Costs %
M4 Corridor around Newport Project	86.17 (£114m inc VAT)	1,363 (£1,321m construction estimate + lead-in development costs)	6.3%
A487 Caernarfon	12.11	128.7	9.4%
A40 Llanddewi Velfrey	4.98	43.38	11.5%
A465 Section 3	14.82	152	9.8%
A14 Cambridge to Huntingdon (England)	161.89	1500	10.79%
Newtown Bypass	6.00	91.5	6.56%
Llandeilo Bypass	3.50	50	7.00%
Silvertown Tunnel (London)	45.00	1045	4.31%
Garden Bridge (London)	53.00	253	20.95%
Wylfa Newydd	c£3bn (spent to date and estimated further development costs)	c£15bn	20%

Section 5: Land and Property Acquisition

A table of properties acquired in connection with the M4 Project since 2013 is provided in **Annex A** of this paper.

- Total land and property spend **since 2013**= £10.723m.
- Total funds raised through sale of land **since 2013** = £0m (zero).
- Total land and property spend **back to the 1990s** = £24.2m.
- Total funds raised through sale of land **back to the 1990s** = £2.1m.

Land and property blight acquisitions are routinely a matter of public record via the ministerial approval process. A record of land and property acquisition in connection to the project was also published as a Public Inquiry document on 30 March 2017 at the request of the Inspectors (copy here: <http://bailey.persona-pi.com/Public-Inquiries/M4-Newport/E%20-%20PI%20Documents/PIQ/PIQ059.pdf>).

The table in Annex A records the reason for each land or property acquisition. Acquisition is due to landowners successfully requesting purchase through statutory or discretionary blight due to being unable to sell their land or property due to the proposal. Inability to sell at reasonable market value has to be demonstrated by the owner in compliance with a set process.

Land and properties sit within the Welsh Government's portfolio, where not identified as disposed (sold) within Annex A and are managed accordingly either through maintenance, letting or sale.

Annex A – List of Land and Property Acquired in Connection with the M4 Project

Summary

- Total land and property spend **since 2013**= £10.723m.
- Total funds raised through sale of land **since 2013** = £0m.
- Total land and property spend **back to 1990s** = £24.2m.
- Total funds raised through sale of land **back to 1990s** = £2.1m.

Table of all property acquisition and sale transactions (matter of public record):

No.	Description of Land	Basis of Purchase / Sale	Date of Purchase	Value Paid (Land and Buildings)	*Date of Sale	Sale Price
Properties Acquired						
1	Longhouse Farm, Coedkernew	s.246 (2A) Off Line Discretionary Application submitted by owner requesting purchase.	Nov-06	£720,000	In WG ownership	NA
2	Land at the Stud Farm, Coedkernew	s.246 (2A) Off Line Discretionary Application submitted by owner requesting purchase.	Jan-00	£315,000 (incl. no. 23)	NA – <i>Farm sold (see 23)</i>	NA (see 23)
3	Undy House, Undy, Magor	Statutory Blight Notice served by representatives of deceased owner requesting purchase.	Aug-07	£660,000	In WG ownership	NA
4	Woodland House, Magor	Statutory Blight Notice served by owner requesting purchase.	Oct-06	£1,107,000	In WG ownership	NA
5	Old Cottage, Knollbury, Magor	s.248 Discretionary Application submitted by owner requesting purchase.	Mar-95	£130,000	In WG ownership	NA
6	Horseshoe Cottage, Knollbury, Magor	s.246 (2A) Off Line Discretionary Application submitted by owner requesting purchase.	Aug-97	£132,500	In WG ownership	NA
7	Barecroft House, Barecroft Common, Magor	Statutory Blight Notice served by owner requesting purchase.	May-96	£158,500	In WG ownership	NA
8	Cae-Glas, Nash Road, Newport	Statutory Blight Notice served by owner requesting purchase.	Dec-06	£300,000 (incl. below)	In WG ownership	NA

8	Annex at Cae Glas, Nash Road, Newport	Statutory Blight Notice served by owner requesting purchase.	Dec-06	Part of above	In WG ownership	NA
9	Greenfield House, Nash Road, Newport	Statutory Blight Notice served by owner requesting purchase.	Mar-07	£300,000	In WG ownership	NA
10	The Conifers, Coedkernew	Statutory Blight Notice served by owner requesting purchase.	Apr-15	£725,000	In WG ownership	NA
11	White Cottage, Coedkernew	Statutory Blight Notice served by owner requesting purchase.	Dec-15	£555,000	In WG ownership	N/A
12	San Remo, Coedkernew	Statutory Blight Notice served by owner requesting purchase.	Apr-16	£350,000	In WG ownership	N/A
13	The Glen, Coedkernew	Statutory Blight Notice served by owner requesting purchase.	Oct-15	£430,000	In WG ownership	N/A
14	Spring Cottage, Coedkernew	Statutory Blight Notice served by owner requesting purchase.	Jun-16	£355,000	In WG ownership	N/A
15	Quarry Cottage, Coedkernew	Statutory Blight Notice served by owner requesting purchase.	Jun-17	£453,000	In WG ownership	N/A
16	Danygraig, Coedkernew	s.246 (2A) Off Line Discretionary Application submitted by owner requesting purchase.	Aug-19	£495,000	In WG ownership	N/A
17	Dunline, Knollbury	Statutory Blight Notice served by owner requesting purchase.	Mar-17	£365,000	In WG ownership	N/A

Properties Inherited from a Predecessor Body

18	Berry Hill Farm	Land inherited by Welsh Government from a predecessor body.	Jan-80	£1,350,000	In WG ownership	NA
19	Wentloog, Newport	Land inherited by Welsh Government from a predecessor body.	Mar-97	£235,000	In WG ownership	NA
20	Queensway Meadows, Newport	Land inherited by Welsh Government from a predecessor body.	Oct 1980 – Jan 1982		In WG ownership	NA
21	Land at Tatton Farm	Land inherited by Welsh Government from a predecessor body.	May-00	£630,000	In WG ownership	NA
22	Land at Marshfield	Land inherited by Welsh Government from a predecessor body.	Apr-97		In WG ownership	NA

23	Former LG Hynix Site	Land inherited by Welsh Government from a predecessor body.	Sep-04	£7,000,000	In WG ownership	NA
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***Properties Acquired and Subsequently Sold**

24	Lower Lakes Farm, Newport	s.248 Discretionary Application submitted by owner requesting purchase.	Jan-95	£170,000	Jan-97	£135,000
25	Pye Corner House, Nash	s.246 (2A) Off Line Discretionary Application submitted by owner requesting purchase.	Apr-96	£120,000	Jan-02	£178,000
26	Ysgubor Newydd, Coedkernew	Statutory Blight Notice served by owner requesting purchase.	Sep-96	£220,000	Mar-04	£361,000
27	Moorbarn, Nash	s.246 (2A) Off Line Discretionary Application submitted by owner requesting purchase.	Dec-96	£192,500	Jul-97	£167,000
28	The Maerdy, Coedkernew	s.246 (2A) Off Line Discretionary Application submitted by owner requesting purchase.	Apr-03	£680,000	Nov-11	£605,000
29	Rose Cottage, Knollbury	s. 246(2A) Discretionary Purchase application submitted by owner requesting purchase.	May-10	£360,000	Jul-11	£244,735

30	The Stud Farm, Coedkernew	s.246 (2A) Off Line Discretionary application submitted by owner requesting purchase.	Jan-00	£315,000 (formed part of no. 2)	Mar 2003 – <i>With some land being retained for M4 proposals (no. 2).</i>	£450,000
31	Coedkernew House, Coedkernew	s.246 (2A) Off Line Discretionary application submitted by owner requesting purchase.	Apr-19	£575,000	N/A	N/A
32	The Croft, Coedkernew	Statutory Blight Notice served by owner requesting purchase.	Apr-19	£400,000	N/A	N/A
33	Little Orchard, Coedkernew	s.246 (2A) Off Line Discretionary application submitted by owner requesting purchase.	Dec-18	£400,000	N/A	N/A
34	Old Court Farm, Rogiet	Statutory Blight Notice served by owner requesting purchase.	Mar-18	£2,354,617	N/A	N/A
35	Court Farm, Rogiet	Statutory Blight Notice served by owner requesting purchase.	May-18	£1,714,085	N/A	N/A
			Ttl	£24.2m	Ttl	£2.1m