
Executive Decision

St Margarets Junction Improvement Funding

Decision to be taken by: City Mayor

Decision to be taken on: 22 July 2026

Lead director/officer: Andrew L Smith/Dan Pearman

Useful information

- Ward(s) affected: Castle, Abbey
- Report author: Daniel Pearman City Transport Director
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- Report version number: 1

1. Summary

The St Margaret's junction improvement scheme will infill all subways, improve routes and crossing facilities for pedestrians and cyclists, enable additional tree planning and landscaping, and improve access for buses to St Margaret's Bus Station.

This report seeks approval for scheme funding comprising £2.2m from the Government's Levelling Up fund matched with £3m currently held in the council's capital programme Match Funding policy provision.

2. Recommendations

The City Mayor is recommended to:

- a. Approve the addition of £5.2m to the 2026/27 capital programme for the St Margaret's junction scheme.
- b. Approve the release of £3m currently held in the Match Funding policy provision to part-finance the scheme alongside £2.2m from the Government's Levelling Up fund.
- c. Delegate authority to the Director of Planning, Development and Transportation and Director of Finance to finalise grant funding details with the DfT to secure the Levelling Up fund award.

3. Background and further details

- 3.1 The St Margaret's junction is one of the busiest junctions in the city and is key to the operation of the Inner Ring Road.
- 3.2 The junction includes a number of subways that have been fenced off to prevent anti-social behaviour and has a number of sub-standard crossing points for pedestrians and cyclists. There is significant scope for safety, transport and environmental improvements by infilling the subways and repurposing land currently used for subway access ramps to provide improved, cycling and pedestrian facilities and landscaping.
- 3.3 Work on the junction also provides an opportunity to assist bus movements and reduce congestion experienced around St Margaret's Bus Station.
- 3.4 The scheme would improve the gateway to the city centre and the setting of St Margaret's Church and support the regeneration of adjacent development sites via improved connectivity.
- 3.5 The following scheme benefits are expected:
- The removal of all subways serving the junction
 - Improvements for pedestrians and cyclists to cross the junction safely and comfortably
 - Improvements to public realm including the creation of an expanded landscaped area adjacent to St Margaret's Church
 - Reduced congestion for buses accessing St Margaret's Bus Station
- 3.6 An indicative scheme bid for £12m Levelling Up funding was originally submitted at short notice in July 2022 and was unsuccessful at that time. The Government then offered funding as part of LU3 round. However, following a further delay, owing to the general election, the allocation was confirmed. Initial funding of £800k was then released and accepted by the council for design work in March 2026. Final scheme approval is now expected, subject to agreement of grant details.
- 3.7 Preparatory work has been undertaken to consider options that focus on delivering the main benefits identified above. This considered the need to carefully manage traffic capacity on one of the busiest junctions in the city and maintain flows. Input from our highways, traffic control and public transport teams recommended retaining highway and lane capacity to achieve this and the budget requirement reduced significantly from the original indicative bid.
- 3.8 A budget envelope of £5.2m, including contingency, has consequently been identified to deliver the project. This would be funded through £2.2m from the Government's Levelling Up fund and £3m from the release of match funding held as a policy provision in the council's capital programme. Approval is sought to accept this funding into the capital programme subject to approval of the detailed grant terms.
- 3.9 The scheme is now in detailed design to refine the design ready for construction. This will be subject to further engagement with stakeholders and is expected to commence construction in Summer 2027 and be complete by the end of 2028.

4. Financial, legal, equalities, climate emergency and other implications

4.1 Financial implications

The total cost of the scheme is £5.2m, which will be financed by £2.2m of Levelling Up Fund grant, alongside the release of £3m held within a policy provision for match funding. There is a balance of £9.95m of Levelling Up Funds which are no longer required for the project which DfT has agreed to reallocate to the Rail Station scheme and this will be subject to a separate decision.

Signed: Stuart McAvoy

Dated: 24th June 2026

4.2 Legal implications

The Levelling Up Fund grant funding will be subject to agreement of the detailed funding terms and conditions with the DfT, which should be reviewed by Legal Services prior to execution.

Any contracts required for the design, construction and delivery of the scheme must be procured in accordance with the Council's internal Contract Procedure Rules and the Procurement Act 2023. Appropriate contractual arrangements should be put in place to manage delivery, allocate risk and ensure compliance with the requirements of the grant funding.

Signed: Seema Patel

Dated: 23 June 2026

4.3 Equalities implications

Under the Equality Act 2010, public authorities have statutory duties, including the Public Sector Equality Duty (PSED) which means that, in carrying out their functions they have to pay due regard to the need to eliminate unlawful discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected characteristics under the Equality Act 2010 are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

The report seeks approval for the St Margaret's junction improvement scheme. The removal of subways and introduction of at-grade crossings is likely to benefit people with disabilities, older people, and those with mobility impairments, who may find subways difficult to access due to steps, gradients, and personal safety concerns. Improved crossing facilities are also expected to support visually impaired users through more legible and safer routes.

Enhanced pedestrian and cycling infrastructure will benefit a wide range of users, including children, families, and those without access to a car, supporting more inclusive access to the city centre and public transport, particularly St Margaret's Bus Station.

The infilling of subways and associated public realm improvements may also reduce opportunities for anti-social behaviour, improving perceptions of safety.

Where there are any improvement works public spaces, considerations around accessibility (across a range of protected characteristics) must influence design and decision making.

This will ensure that people are not excluded (directly or indirectly) from accessing a public space or service, on the basis of a protected characteristic. In order to demonstrate that the consideration of equalities impacts is taken into account, as an integral part of the process going forward it is recommended that an Equality Impact Assessment (EIA) be undertaken. The EIA is an iterative process and should be revisited as part of the decision-making process.

Signed: Equalities Officer, Surinder Singh, Ext 37 4148

Dated: 24 June 2026

4.4 Climate Emergency implications

The suggested improvements to the junction have the potential to make a positive contribution to the Climate Emergency through improved public realm, promotion of active travel, increased urban greening and enhanced climate resilience. However, significant embodied carbon emissions may arise from demolition and construction activities. Opportunities should therefore be maximised to minimise whole-life carbon impacts through material reuse, low-carbon construction techniques, sustainable drainage measures, and extensive landscaping. Overall, subject to detailed design and implementation, the scheme is likely to provide a net positive climate impact through supporting modal shift, urban greening and climate adaptation objectives.

Signed: Phil Ball, Sustainability Officer, Ext 372246

Dated: 24 June 2026

4.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

NA

5. Background information and other papers:

N/A

6. Summary of appendices:

None

7. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

No

8. Is this a “key decision”? If so, why?

Yes as capital expenditure is proposed in excess of £1m as part of the Local Transport Scheme Programme.