
From: Simon Jones – Corporate Director of Growth, Environment and Transport

To: Peter Osborne – Cabinet Member for Highways and Transport

Subject: A28 Sturry Link Road

Decision no: 25-00110

Key Decision: Yes - Scheme involves expenditure of greater than £1m

Classification: *Unrestricted*

Electoral Division: Cllr Mark Mulvihill - Herne Village and Sturry
Cllr Alex Ricketts – Canterbury North
Cllr Alister Brady – Canterbury City North

Is the decision eligible for call-in? Yes

Summary:

The A28 Sturry Link Road is a critical infrastructure improvement, designed to alleviate severe congestion at the Sturry level crossing and improve journey reliability along the A28 corridor. Following a report to Environment & Transport Cabinet Committee in May 2018, a Record of Decision 18/00027 gave a wide range of authorities to allow the Sturry Link Road scheme to proceed. A further Record of Decision 23/00066 provided authority to progress with the Compulsory Purchase Order (CPO) process to secure the land required for the scheme.

To deliver the scheme, the Council has secured funding through S106 agreements and government funding. To fully cover the cost of the viaduct, the Council are in discussions with Homes England regarding the provision of Brownfield, Infrastructures and Land (BIL) Fund towards the scheme, to reduce the financial risk to KCC. This funding, if agreed, will consist of a grant to fully cover the existing funding gap, and a recoverable grant to forward fund the S106 contributions to the scheme which are not yet banked. It is appropriate therefore, to seek a further key decision to accept this funding, but also to progress with the construction in the meantime.

Recommendation(s):

The Cabinet Member for Highways and Transport is asked to agree to the proposed decision as detailed in the attached Proposed Record of Decision document (Appendix A).

1. Introduction

- 1.1 The A28 Sturry Link Road is a critical infrastructure improvement, designed to ease congestion at the Sturry level crossing and improve journey reliability along the A28 corridor. The project will boost economic growth and support the traffic

impact of over 6,000 new homes being delivered at Sturry, Hersden, and Herne Bay, while also indirectly enabling growth at other strategic land allocations identified in Canterbury City Council's Local Plan.

- 1.2 The scheme will construct a 5-span viaduct over the River Stour and the Ashford–Ramsgate railway, linking from a new roundabout on the A28 in the south to the spine road being constructed as part of the Land at Sturry development in the north.

2. Key Considerations

- 2.1 Funding for the scheme is secured from S106 agreements and government funding. A gap remains to fully cover the cost and so the Council are in discussions with Homes England regarding the provision of Brownfield, Infrastructures and Land (BIL) funding towards the scheme. This funding, if agreed, will consist of a non-recoverable grant to fully cover the existing funding gap, and a recoverable grant to forward fund the S106 contributions to the scheme which are not yet banked.
- 2.2 The key considerations are financial and reputational depending on whether the grant funding is secured and the project stays on schedule.
- 2.3 There are no foreseen KCC policy implications caused by this decision. The Sturry Link Road scheme supports the new Strategic Statement's priorities by supporting local investment and job opportunities in Canterbury and the surrounding areas, by backing major infrastructure in Kent, driving investment and not allowing congestion to limit growth. The scheme also ensures that vital infrastructure to support communities and housing is delivered in advance, enabling sustainable growth through improved transport connectivity and resilience on Kent's road network.
- 2.4 Failure to deliver the scheme will significantly impact Canterbury City Council's (CCC) Local Plan delivery.

3. Background

- 3.1 The Sturry Relief Road is designed to reduce congestion at the Sturry Level crossing and the A28 and A291 approach roads. The Relief Road includes the north-south Sturry Link Road being delivered by KCC and the east-west spine road due to be delivered by the Land at Sturry developer. A full plan for the route is shown in Appendix B.
- 3.2 Planning permission for the full route, including the roundabout to the north was granted on 7th September 2021 and expires on 7th September 2026.
- 3.3 A Design and Build contract was awarded to Volker Fitzpatrick Ltd in February 2024. The detailed design has been finalised following the approval of two non-material planning amendments to the scheme. Technical documents have now been submitted to KCC Planning to discharge pre-start conditions.
- 3.4 The Compulsory Purchase Order (CPO) and associated Side Roads Order (SRO) were confirmed by the Secretary of State on 19 February 2025 following

a Public Inquiry in October 2024. Notices have been served, providing access to the required CPO land plots from February 2026.

- 3.5 Archaeological investigation works were completed in November 2025, and the start of works have been programmed to April 2026, f with pre-commencement works to begin in early 2026.
- 3.6 KCC has estimated an increased cost to deliver the scheme and although it has secured further S106 contributions further funding is being sought from a grant opportunity from Homes England under the Brown Infrastructure Land (BIL) fund,
- 3.7 The Homes England grant discussions are ongoing. Homes England, alongside KCC, has prepared a business case for funding the scheme. This case has progressed through various levels of approvals, including most recently the Homes England Internal Investment Board (16 December) and a Delivery Oversight Board (5 January). The case will be presented to a further Investment Board on 13 January 2026 and to the Ministry of Housing Communities and Local Government on the same day. As such a decision is due imminently; however, a further Grant Funding Agreement (GFA) will be required between the parties prior to the award of funding.
- 3.8 If construction does not begin before the planning permission expires, a new application will be needed, causing further delays and cost increases.
- 3.9 S106 funding is in place to commence the construction of the A28 roundabout from April 2026 ahead of constructing the viaduct. Road space on the A28 at Sturry is severely limited. KCC has booked the road space for the roundabout construction as there is not sufficient road space available to delay this element of the programme closer to when the planning permission expires in September 2026.

4. Options considered and dismissed, and associated risk

- 4.1 The following alternative options were considered but discarded.

- Option – Delay the project but provide approval for delegation to accept Homes England BIL funding.
 - o Delaying both the roundabout and viaduct could better align with the developer funded portion but would mean planning permission would elapse requiring full resubmission and additional delays and costs (up to £4m).
 - o A delay could lead to significant reputational risk to KCC as the council has committed to delivering this scheme and the Relief Road is required to support the Adopted Canterbury Local Plan and manage traffic growth.

Option – Delay the project and not accept funding from Homes England. In addition to the consequences outlined in the above option

- This option would leave KCC open to a significant funding gap risk. KCC would also be required to forward fund the S106 contributions that have been identified but not yet banked to support the delivery of the infrastructure.

- Option – Cancel the project.
 - o This would result in around £9m aborted costs. No asset will be constructed, so these costs become a revenue burden to KCC. The reputational damage to KCC would be significant.
 - o The Canterbury City Council Local Plan relies on the Sturry Link Road to unlock housing growth, in particular for development sites with a limit on occupations without the link road. Other consented developments are able to build out regardless meaning that there will be traffic growth without any associated capacity enhancements.
 - o The Homes England funding opportunity will be lost, leading to a significant funding gap for the project should it be pursued again in the future.

5. Financial Implications

- 5.1 The scheme is estimated to cost £53.9 million, including £6.4 million recommended for risk and contingency. To date, the scheme has spent £6.5m in undertaking surveys and developing the designs through consultation, planning and CPO. The scheme also now has a fully detailed design and specification. All Highways and Transportation officer time is capitalised to the scheme funding.
- 5.2 The increased cost estimate is partially offset by the indexation on the developer contributions.
- 5.3 £44.1m has already been secured from S106 and government grant. The potential grant funding identified from Homes England will provide up to £24.8m recoverable grant (to forward fund the S106 contributions) and up to 24.8m non recoverable grant (to cover the estimated funding gap and further contingency) A final decision on the Homes England grant funding is expected this month.
- 5.4 Table 1 shows a full breakdown of the funding for the scheme.

Table 1: Funding for the Sturry Link Road scheme.

Funding Source	Amount	Received
Government Funding		
LGF	£5.9m	£5.9m
Developer Contributions		
S106 Contributions	£29.26m	£9.65m
Indexation uplift on s106 contributions, assessed at July 2023	£8.94m	
Total funding secured	£44.1m	£15.55m
Total funding required	£53.9m	
Total Shortfall (before Homes England BIL)	£9.8m	
Total Homes England non-recoverable Grant	Up to £24.8m	

5.5 The final offer has not yet been issued by Homes England. As such, the full terms of this funding grant are currently unknown, but it is expected that this will be a grant to fully cover the funding gap as well as a recoverable grant to the value of the S106 contributions yet to be banked by the Council, to offset the forward funding requirement for KCC. However, it is appropriate that the Council proceed with the governance now to ensure we can meet Homes England's timescales for grant acceptance.

Sufficient developer contributions and the grant from the Local Growth Fund are banked to enable the construction phase of the A28 roundabout to proceed (Table 2).

Table 2: A28 Roundabout funding

	Amount
Funding received to date	£15.55m
Expenditure to date	£6.5m
Expected expenditure to April 26 (premobilisation works)	£1.5m
Funding prior to roundabout construction	£7.55m
A28 Roundabout cost (including risk and contingency)	£4.2m
Remaining	£3.35m

6. Legal implications

6.1 There are significant legal implications associated with the scheme, Legal oversight and advice has been engaged and provided throughout on all aspects the scheme to enable successful delivery. All risks will be considered and managed as part of the overall project management of the scheme.

6.2 Before entering into the Grant Funding Agreement with Homes England further legal advice will be sought to ensure all conditions are acceptable to KCC and can be met.

7. Equalities implications

7.1 The current EQIA Assessment is appended to this report (Appendix C). The EQIA was most recently update in November 2025 and identifies that individuals who fall within the Age, Disability, Pregnancy & Maternity, and Carer Responsibility groups may face minor, short-term negative impacts during the construction. However, these groups are expected to experience significant long-term benefits from the scheme and no negative long terms impacts have been identified.

8. Data Protection Implications

8.1 A DPIA is not required for this decision or scheme. There are no foreseen data protection implications.

9. Other corporate implications

9.1 It is not considered that this decision will have further corporate implications to other Directorates within KCC.

10. Governance

10.1 Under the officer scheme of delegation, should the recommended decision be progressed, the Corporate Director for Growth Environment and Transport will make decisions for the ongoing delivery of the scheme, in consultation with the Cabinet Member for Highways and Transport. Financial grant funding acceptance will be delegated to the S151 Officer, in consultation with relevant parties including KCC legal.

11. Conclusions

11.1 The Sturry Link Road is critical for reducing congestion, supporting the delivery of over 6,000 homes, and enabling further strategic growth in Canterbury.

11.2 Approval to proceed with construction and accept Homes England funding is recommended to ensure the project remains on track and is implemented within required planning permission timescales

Recommendation(s):

Cabinet Member for Highways and Transport is asked to agree to the proposed decision as detailed in the attached Proposed Record of Decision document (Appendix A).

10. Background Documents

10.1 Equality Impact Assessment
10.2 Scheme detailed design drawings
10.3 Scheme construction programme

11. Appendices

Appendix A – ROD
Appendix B - EQIA
Appendix C – Scheme Plan

12. Contact details

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