

From: **Michael Payne, Cabinet Member for Highways and Transport**
Barbara Cooper, Corporate Director Growth Environment and Transport

To: **Cabinet**

Subject: **Decision No: 19/00085 Thanet Parkway Railway Station – Delivery**

Key decision *Expenditure of > £1m*

Classification: **Unrestricted**

Past Pathway of Paper: Environment and Transport Cabinet Committee 29/11/19
Cabinet 02/12/19

Future Pathway of Paper: N/A

Electoral Division: Ramsgate
Birchington & Rural

Summary: The decision to deliver Thanet Parkway Railway Station was deferred from Cabinet on 2nd December 2019 pending the completion of a survey of local public opinion, as recommended by Environment and Transport Cabinet Committee on 29th November 2019 to inform the Cabinet decision. This paper presents the progress to date on the proposed Station and the methodology for the public opinion survey, as well as detailing previous consultation and stakeholder engagement completed on the project. It also sets out the various alternative funding sources explored to date. The results of the survey will be presented at Cabinet and the outcomes of the survey will be considered before the decision is taken.

This report explains that Kent County Council will commit up to £17.81m to complete the funding package for the scheme (£34.51m) which will secure a significant contribution (£14m) of Local Growth Fund Money (LGF) from the South East Local Enterprise Partnership (SELEP) and enable the scheme to be delivered. Following completion of the outline design and submission of a revised planning application, the next stage of the project is to undertake detailed design, and subject to planning determination, progress into the delivery stage of the scheme. A decision to progress with delivery is required now so as not to delay the project programme and to enable SELEP to commit the LGF money to Thanet Parkway in February 2020. Without this decision, the LGF contribution will be reallocated to other projects across the SELEP area.

Of the required £17.81m KCC contribution, to date £2.65m has already been committed from KCC's capital programme (decision 14/00056) and used for development funding. A further £4.3m was previously allocated within the 2019 – 2022 Investment Plan.

Recommendation(s): Subject to the consideration of the survey results and all consultation and analyses to date, Cabinet is recommended to take the decision (as attached decision sheet at Appendix A) to:

1) agree to progress and deliver the Thanet Parkway Railway Station project (up to a total KCC contribution of £17.81m, subject to necessary increases to the capital budget allocation in the 2020/21 County Council budget), which will include the following key activities;

- a) undertaking detailed design; and subject to planning approval;
- b) completing the acquisition of the land; and
- c) entering into contracts as necessary for construction.

2) delegate authority to the Corporate Director of Growth, Environment & Transport, in consultation with the Cabinet Member for Highways and Transport, to take appropriate actions necessary to implement this decision, including but not limited to, deciding the preferred procurement route and entering into relevant contracts (of which KCC's contribution is to the maximum value of £17.81m) or other legal agreements.

1. Introduction

- 1.1 Poor accessibility in East Kent is a critical barrier that has limited the potential of the area to attract inward investment, which has served historically to undermine the potential for regeneration and has also limited the catchment for employment opportunities for local residents. As such, improving connectivity is a vital step in unlocking development potential and attracting investment and job opportunities for local people in East Kent. This has been exacerbated by the closure of Manston Airport and the loss of services from the Port of Ramsgate.
- 1.2 The proposed Thanet Parkway station will address these issues by capitalising on the High Speed 1 services and the Journey Time Improvement (JTI) scheme, which together will bring Thanet to around one hour's journey time of London, thereby improving the perception of East Kent as a place for investment, especially at nearby business parks such as Discovery Park. Local businesses, including the owners of Discovery Park, have been firm supporters of the project for many years.
- 1.3 The new station will be located on the Ashford International to Ramsgate railway line, south of the Manston Airport site and just to the west of the village of Cliffsend. It will be served by both Mainline and High Speed trains. It will offer transport links to the surrounding highway network via the A299 Hengist Way as well as offering local connections for pedestrians and cyclists.
- 1.4 The new station is a strategic priority in *Local Transport Plan 4: Delivering Growth without Gridlock (2016 – 2031)* and strongly fits with the objectives of the council's Strategic Statement *Increasing Opportunities, Improving Outcomes (2015-20)*. The project also has support from Thanet District Council and Dover District Council, and features in the *Strategic Economic Plan* produced by the South East Local Enterprise Partnership (SELEP). Additionally, the project aligns with national, regional and local transport objectives.

- 1.5 A previous Key Decision was taken by the Cabinet Member for Environment and Transport on 1 August 2014 (14/00056) which approved taking forward the delivery of Thanet Parkway Station in the location to the west of Cliffsend by:
- a) Commencing land acquisition work;
 - b) Undertaking public consultations to support the project development process; and
 - c) Undertaking project development work to enable the submission of a planning application and design work for the scheme.
- 1.6 This report provides an overview of the project, its current status and a full overview of the work undertaken to date in respect of public and stakeholder consultation, as well as the most recent such engagement, including the commissioning of a public opinion survey in the catchment of the station. It seeks a decision on whether KCC will progress with the development of the station and therefore fill the funding gap for the project.

2. Current status of the project

- 2.1 Thanet Parkway Railway station is a complex and multifaceted project including a new station, car park, junction and highway improvements, a pedestrian/cycle link and upgrades to nearby level crossings. The scheme comprises:
- Two platforms of 252m length and 2.6m width to cater for 12-car, 20.2m rolling stock.
 - Each platform will have lighting columns with CCTV cameras and a public-address system, two customer information displays and one help point, plus shelters.
 - Lifts and stairs up to the platforms.
 - Refurbishment of the existing subway (Petley's Arch), a Public Right of Way, for access between platforms.
 - A car park for 299 cars, plus an additional 20 bays for pick-up/drop-off and taxi parking. The car park includes 16 disabled bays and 19 spaces for electric vehicles. Cycle parking and two bus stops will also be provided.
 - Vehicular access via a new junction on the A299 Hengist Way to a new access road to the station.
 - Pedestrian and cycle access will be provided via Clive Road on a new cycle/pedestrian path.
 - Passive provision for a 12m x 6m standard modular building – Whilst the station has been designed to be unstaffed, should the Train Operating Company choose to, this passive provision would enable the development of a covered waiting area, booking office, staff accommodation and public toilets.
- 2.2 A planning application was submitted in May 2018 based on a design which contained a footbridge as the means of access between the two platforms. Comments received from consultees during the planning consultation made the case that the visual impact of the footbridge structure would be significant given the station is already on an embankment.
- 2.3 In response to these concerns, the design of the station has subsequently been amended to remove the footbridge and utilise an existing subway as a means of

accessing the platforms. The new station layout plan and artist's impressions for the scheme are attached as Appendix B.

- 2.4 The new design for the station and car park has been progressed through Network Rail's 'Governance in Railways Investment Projects' (GRIP) Stage 4 (single option development or outline design), with Network Rail sign-off of this stage expected shortly. The equivalent level of outline design has been completed by consultants WSP for the highway junction – which has also been amended in the new application from an all movements junction to a left-in, left-out arrangement to minimise disruption to traffic flow eastbound on the A299.
- 2.5 Further, following a review of risk to the railway, Network Rail have confirmed that upgrades to Cliffsend and Sevenscore level crossings are required to allow Parkway to operate. Whilst the station works are at the GRIP4 stage (outline design), the level crossing works are at GRIP1 (output definition). Network Rail need to be commissioned (following this proposed Decision) to progress the level crossing work to GRIP4 to confirm the type of upgrade required and the subsequent cost of the works.
- 2.6 The original planning application has been withdrawn and a new planning application with the revised design was submitted to Kent County Council (KCC) as the determining authority (due to KCC retaining an interest in the site with the car park) in November 2019. A determination is expected in May 2020.
- 2.7 The acquisition of the land had been delayed due to the revisions of the scheme design and construction requiring new access arrangements; however, negotiations are now ongoing to secure the site and draft Heads of Terms have been issued. Land purchase is subject to planning approval and therefore will be completed following planning determination.
- 2.8 With outline design completed, planning submitted, and the land acquisition being progressed, the project is ready to be taken forward to the 'delivery' phase. This phase will require the procurement of detailed design for both the highways and rail elements of the scheme; and subject to planning approval, completion of the land acquisition and entering into contracts for the build of the infrastructure. A decision is therefore required to permit these activities.
- 2.9 The timing of this decision is critical to the deliverability of the scheme. The project programme is constrained by the Local Growth Fund (LGF) funding which needs to be spent (or committed to be spent) by the end of the Growth Deal period (31st March 2021). In order to meet this deadline, KCC will need to commence procurement of the design and delivery of the project by the end of February 2020 at the latest.

3. Consultation and stakeholder engagement

- 3.1 The proposals for a new Thanet Parkway station have been through two public consultations (2015 and 2017) and a statutory planning consultation when the first planning application was submitted (2018). The proposals have now been subject to a second statutory planning consultation now that the revised planning application has been submitted (10th December 2019 to 20th January 2020). Alongside these formal events, public and stakeholder engagement has

been undertaken throughout the development of the project. Public meetings have been held in Cliffsend, briefings have been given to parish council meetings in areas local to the proposed station, presentations given to local business groups, the District Council fully briefed and the views of representative groups (such as East Kent Association for the Blind) have informed the design process. RiverOak Strategic Partners has also been engaged in relation to their proposals for the former Manston Airport site. However, the Secretary of State's decision on their Development Consent Order has now been delayed until May 2020.

- 3.2 This section outlines the results of the public consultation events that were held in 2015 and 2017 and describes the methodology for the public opinion survey requested by Cabinet on 2nd December 2019.

2015 Public Consultation

- 3.3 An eight-week public consultation on the initial high-level design, impacts and benefits of the station was held from February to March 2015. A range of consultation methods were used, including social media, post, press releases, posters at East Kent stations, emails, as well as seven public consultation events. The Equalities Impact Assessment was used to inform the design of the consultation and ensured that all groups likely to be positively or negatively impacted by the proposals were included.
- 3.4 A total of 529 responses were received, including 492 questionnaires, 10 written letters from stakeholders, and 27 response cards completed at consultation events. This consultation was later subject to an internal audit and found to be an exemplar of best practice, subsequently being used in training as a benchmark for other KCC consultations.
- 3.5 The aim of the consultation was to provide input to further the design. Therefore, analysis of the consultation responses primarily identified the facilities that respondents felt were most important to include at the station, as well as potential disbenefits that design improvements could mitigate. Nevertheless, 68% of all respondents (and 66% of local residents¹) felt they would receive at least one benefit from the new station. The top three benefits identified were:
- Improved access to High Speed 1 (47% of all respondents²).
 - Being about an hour's journey time to London Stratford (45% of all respondents).
 - Greater investment in East Kent due to improved accessibility (42% of all respondents).

Notably, 50% of local residents identified that they would benefit from improved access to High Speed 1, although this group also had the highest proportion of respondents stating that there would be no benefits from the station (34%). This suggests that local resident opinion was divided, with the free text comments ranging from the station's potential to attract more community facilities (such as

¹ 'Local resident' was defined as those indicating they were a resident of Cliffsend.

² Respondents could select more than one benefit so the combined total is greater than 100%.

a supermarket) to having no benefits and being happy with the journey to Ramsgate station.

- 3.6 Other stakeholders did raise concerns about the proposals, notably that the need for the station should be kept under review given the uncertain future of the former Manston Airport site, worsening traffic congestion, safety at the station if it is unstaffed, the closure or loss of service at other stations as a consequence of the new station, and the loss of agricultural land. Following the consultation, where possible, design changes were made to address these concerns (for example adjusting the station and car park footprint to reduce land take) and information provided to address fears (for example that the new station would not lead to others closing).

2017 Public Consultation (pre-planning)

- 3.7 A second eight-week public consultation was held from January to March 2017 as a pre-planning consultation to inform residents of the latest design proposals and seek views that might amend those designs prior to submitting a planning application. As in 2015, there were six consultation events held throughout East Kent (with 394 attendees) and the consultation was promoted by social media, email and in the local press.
- 3.8 A total of 355 responses to the consultation were received, with the majority generally agreeing with the proposals. Key stakeholders were supportive, although they made suggestions in relation to their own areas of expertise. Concerns were raised around the new station/A299 junction, pedestrian access route and the station being unstaffed. Additionally, there were objections from some local residents who disagreed with the proposal for a station altogether.
- 3.9 Analysis of the consultation showed that 40% of respondents stated that they would not use the new station, compared with 34% stating that they would and the remaining 26% answering 'Don't know'. However, this must be taken in context: Only 13% of respondents to the consultation did not currently travel by train at all, and those that did travel by train primarily accessed stations by car or on foot. Similarly, most of those responding who used the train did so for leisure purposes, probably reflecting the generally older profile of respondents. It must be remembered that one of the key outcomes for the project is delivering the infrastructure first so that regeneration and sustainable economic growth can follow. It is possible that those that will benefit most from the station either did not respond or were not located in the direct area of the consultation (for example, they could be future residents).
- 3.10 29% of respondents to the 2017 consultation identified themselves as a resident of Cliffsend. A cross-tabulation exercise was carried out on this compared with the answer to the question "Would you use the proposed Thanet Parkway?" The results reaffirmed the split of local resident opinion found in the 2015 consultation. In 2017, 39% of those identifying as Cliffsend residents stated that they would use the station, 38% stated that they would not, and the remaining 23% stated that they did not know.

2018 and 2019 Statutory Planning Consultations

- 3.11 Following the 2017 pre-planning consultation and the completion of the Environmental Impact Assessment (EIA), a planning application for the scheme was submitted in May 2018. The subsequent statutory consultation in August 2018 (a third consultation in total) resulted in feedback that has led to significant design changes to minimise the impact on the landscape and the community. These changes included the removal of the bridge connecting the two platforms which was considered to have a significant negative visual impact and instead using the existing subway, which, once refurbished as part of the scheme will also improve the existing Public Right of Way and bring an old piece of Victorian railway infrastructure (Petley's Arch) back to life and improve the public realm.
- 3.12 The design changes were presented to the local community at a public meeting on 10th October 2019, organised by Cliffsend Parish Council, where there was considerable support for the scheme, largely as a result of the design changes, and recognition from many of those opposed that with some further design tweaks, the project is moving towards acceptability in the view of the local community. The meeting was attended by around 65 people and at least half, if not more of the room, informally indicated their support for the project. Officers agreed to meet with the Parish Council again to go through their outstanding concerns and agree on measures that could mitigate the perceived negative impacts.
- 3.13 A newsletter was delivered to all 800 households in Cliffsend to inform residents about the design changes and to encourage them to respond with their views in the current statutory planning consultation (a fourth consultation in total), which started on 10th December 2019 as a result of the submission of the new planning application. Thanet District Council's Cabinet and Corporate Management team were also briefed on 21st November, and an all Member briefing attended by KCC's Transport Strategy Manager took place on 7th January 2020. The briefing included a Question and Answer session and Thanet District Council Members asked a lot of important questions, although there was support from many Members for the project, including a verbal statement that the proposed new station is essential for Thanet's growth and KCC's and SELEP's investment should be welcomed.

2019 Public Opinion Survey

- 3.14 On 29th November 2019 Environment and Transport Cabinet Committee recommended that public opinion should be further tested before the Cabinet decision could be taken on fully funding and delivering Thanet Parkway station. Cabinet, on 2nd December 2019, accepted this recommendation and deferred the decision to 27th January 2020 to enable the survey to take place. A full public consultation was considered but advice from KCC's Engagement and Consultation Team indicated that a condensed consultation period would not be appropriate and leave the consultation process open to challenge. Further, with the statutory planning consultation currently in progress it could be confusing for residents to have two parallel consultations on the same scheme. Consequently, it was decided to proceed with a survey of public opinion for the scheme.

- 3.15 A common issue with public consultations is that the respondents are a self-selecting sample, and usually share similar characteristics. For example, males and those aged over 50 were overrepresented in responses to the 2017 Thanet Parkway consultation whereas the population of the catchment area of the proposed station is more diverse. Therefore, the brief for the survey has specified a research design that ensures as far as possible that a representative sample of the population have been asked their view. Seven market research agencies were invited to tender for this survey based on a brief from KCC's Business Intelligence Unit.
- 3.16 The brief required that the survey be conducted within the catchment area of the proposed station (as defined by the business case passenger demand modelling – Figure 1) to ensure that only those areas directly affected are surveyed. Additionally, the area has been split between Cliffsend and the 'core catchment area' so that opinion in the immediate vicinity of the station can be gauged. The demographic profiles of these two areas have been provided so that the sample can be stratified by gender, age, social class, and by working status (if possible). This will make sure that the results are as robust as possible. The brief requested 100 respondents from Cliffsend, and 200 from the core area.
- 3.17 The survey has been designed to ask a range of questions to indicate characteristics about the people being asked so that survey results can be analysed more fully. A Show Card has been devised to provide factual information on the station proposals so that respondents have the same base level of information. To answer the question recommended by Environment and Transport Cabinet Committee, the respondents were asked "Do you think that the Thanet Parkway station should be built or not?" They were then asked for a reason for their answer.
- 3.18 The results of the survey will be presented at the Cabinet meeting owing to publishing deadlines in advance of survey results being received.

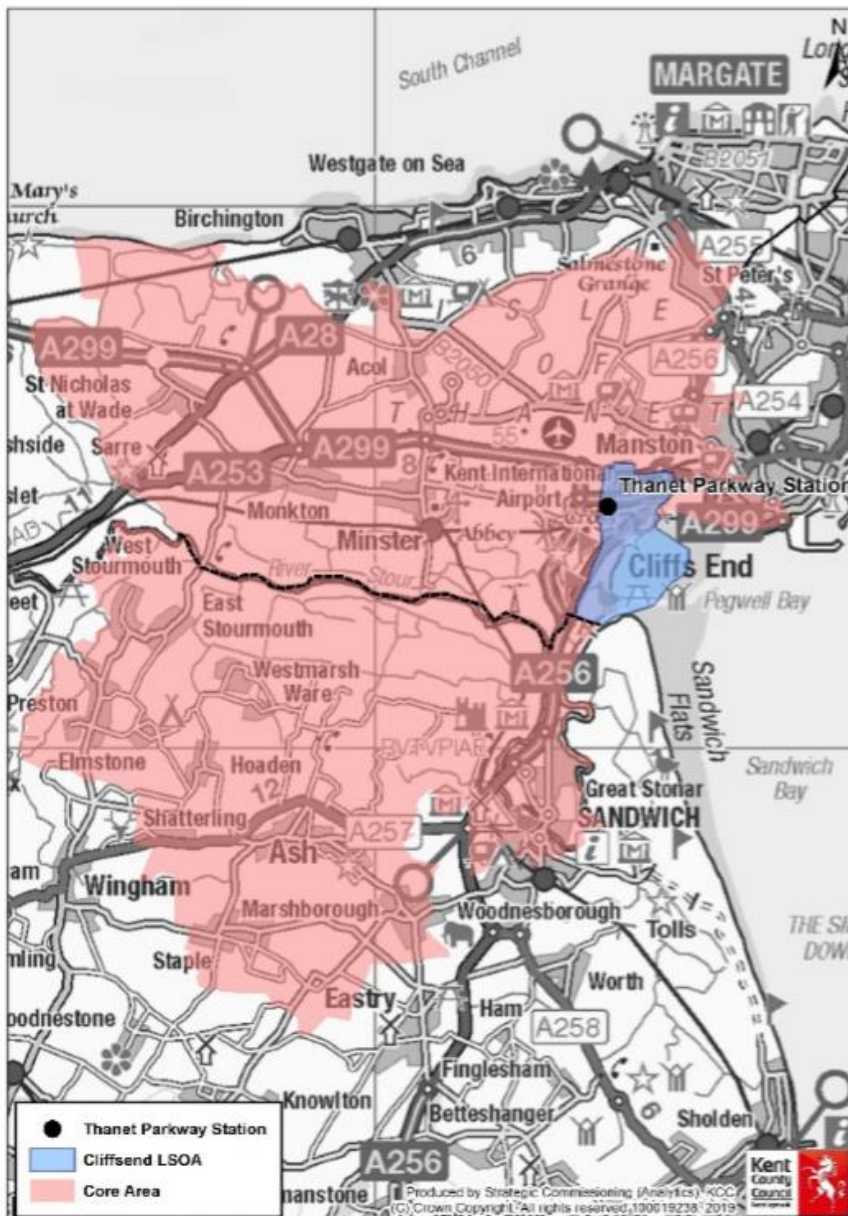


Figure 1: Public opinion survey catchment areas.

Stakeholder Support

3.19 An application was made for additional funding to the New Stations Fund 2 in 2016 (run by the Department for Transport and Network Rail). This bid required the project to demonstrate support from key local stakeholders. Consequently, letters of support were received from:

- Southeastern
- Network Rail
- Thanet District Council
- Dover District Council
- Kent Invicta Chamber of Commerce
- Homes and Communities Agency
- Discovery Park, including
 - Agalimmune Limited
 - Zoetis
 - Venomtech

- Mylan
- Your Leisure
- Visit Kent
- Locate in Kent
- Turner Contemporary
- The R&A
- Thanet Earth
- The Royal St George's Golf Club
- South East Local Enterprise Partnership
- Kent and Medway Economic Partnership
- Fujifilm
- East Kent College
- Craig Mackinlay MP

3.20 It is also well-known that the other local MP, Sir Roger Gale, is a strong supporter of the station proposals. This demonstrates that there is substantial business support in the local area. Further, letters reaffirming their support have been received from local business in recent weeks and are attached at Appendix D, including from East Kent College, eXroid, Pfizer, AlgaeCytes Limited, Kent Invicta Chamber of Commerce, Visit Kent, Canterbury Christ Church University, Discovery Park, and Locate in Kent.

4. Alternative funding opportunities

4.1 Thanet Parkway is a financially positive project, meaning that it will pay back to the public sector at a local and national level more than the scheme costs over its operational lifetime. Direct financial returns will be received by the Department for Transport (DfT) via rail ticket sales and by KCC from the car parking income. Indirect financial returns will be generated from the increase in council tax and business rates owing to the project unlocking economic growth in the area. It is from this basis that alternative funding opportunities have been investigated.

4.2 A significant number of alternative funding options have been thoroughly explored. Some of these have been successful (a £4m increase in the LGF allocation, a £2m contribution from Thanet District Council, and £0.7m from the East Kent Spatial Development Company). Nevertheless, finding a partner to either jointly deliver the station or provide a funding contribution to negate all/some of KCC's additional contribution has proved challenging, particularly when looking for a private sector partner.

4.3 In 2016 an application was made to the New Stations Fund 2, which was administered by DfT and Network Rail. KCC received positive feedback on the strong strategic case for the project but one of the reasons it was unsuccessful was because being financially positive was seen as a reason for it to seek private investment rather than grant funding. Following this advice, KCC met with all bidders for the new South Eastern Franchise to explore options for them to help fund the project, but ultimately the DfT cancelled the tender process. Multiple private sector investors were met with but in all cases the direct financial return from ticket sales could not be wholly or partly returned to the investor instead of the DfT and so the necessary return on investment could not be achieved. These discussions also involved returning the car parking income

to the investors, but this was too small to fund this level of investment and would mean the loss of an ongoing revenue benefit to KCC.

- 4.4 To attract private sector investment would require newly generated fare revenue to be apportioned to the investor. This method had been used at other new stations but the DfT has since declined to enter into any new agreements, believing that it does not provide good value for the taxpayer. This has had the effect of significantly limiting potential financing opportunities.
- 4.5 KCC will continue to explore all new external funding opportunities. However, given the timescales of the Local Growth Fund contribution and the need to progress with the procurement of detailed design and construction works it has reached the point where KCC needs to commit to funding the remainder of the project. Without additional KCC funding Thanet Parkway is unlikely to be built because of the impact of inflationary price rises and the loss of the grant funding secured to date.

5. Financial implications

- 5.1 A revised cost estimate for the scheme was produced in September 2019. This was based on a GRIP4 estimate of the station and car park works from Network Rail, a pre-GRIP estimate of the level crossing works by Network Rail and a revised cost estimate by highways cost consultants for the junction and archaeological mitigation works. Costs for a car park being delivered by a highways contractor were also requested to enable a cost comparison against Network Rail's estimate.
- 5.2 The current total cost estimate for the scheme is £34.51m comprising:
 - 5.2.1 £19.99m for the station and car park (at 80% probability and inclusive of 11% contingency);
 - 5.2.2 £10.20m for the level crossing upgrades (at 80% probability and inclusive of 57% contingency – this level of contingency is standard industry practice with work at GRIP1 stage);
 - 5.2.3 £4.32m for other costs including the highway junction works, archaeological mitigation works, land purchase, planning costs, legal costs and fees. This figure is inclusive of spend to date of project development work (design and planning).
- 5.3 The funding secured to date to deliver the station is comprised of:
 - 5.3.1 £2.65m KCC capital contribution, which was previously agreed under decision 14/00056 and has been used to develop the project to date;
 - 5.3.2 £14m from the Local Growth Fund (LGF) (administered by the South East Local Enterprise Partnership (SELEP));
 - 5.3.3 £2m from Thanet District Council; and
 - 5.3.4 £0.7m from the East Kent Spatial Development Company.
- 5.4 With the funding secured to date, the project requires a further £15.16m if it is to be delivered (including £4.3m that was previously allocated in the 2019-22 Investment Plan). Unless this full funding cost is met, KCC will not be able to continue to progress the project, given the need to procure the project in

February 2020 and prior to that, securing an in-principle confirmation of the SELEP funding of £14m. In taking the proposed decision, Cabinet will commit KCC to fill the funding gap of £15.16m, whilst continuing to explore external funding opportunities.

- 5.5 If Cabinet agree the decision, the KCC funding contribution will need to be formally agreed as part of the 2020-23 capital programme when this is presented to County Council on 13th February 2020. This commitment will be key to enabling KCC to draw down the £14 million of LGF money from SELEP, for which KCC is required to demonstrate to the SELEP Accountability Board on 14th February that a complete funding package is in place for the scheme. As the scheme estimate has increased, a final gate review of the business case by the SELEP Independent Technical Evaluator (ITE) is also required. This gate review will be completed in January 2020 ahead of final approval at the SELEP Accountability Board on 14th February 2020.
- 5.6 The project business case has been updated following the revised project estimate and still demonstrates very high value for money in the Value for Money (VfM) assessment. The station is commercially viable (net fares revenue is in excess of the on-going cost). Depending on the operating model, there is the potential for the station car park to provide a future income to KCC of around £68,000 per year net revenue based on a £3.50 per day parking charge.
- 5.7 There is no maintenance and operating cost to KCC for the station, as the station will be managed by the Train Operating Company (TOC) under a station lease agreement with Network Rail.
- 5.8 In terms of service provision, the Department for Transport (DfT) require the promotor to demonstrate that the proposed train service covers its net operating cost from newly generated revenue. Where there is a shortfall the scheme promotor (KCC) must fund the net shortfall for the first three years, after which the service must cover net operating costs from newly generated revenue. The business case demonstrates that from opening year the estimated annual revenue from newly generated fares is expected to be £578,000 (discounted to a 'present value year' of 2010) which will exceed the £139,190 (at 2018 prices) estimated annual operating cost of the station. The risk that this KCC revenue commitment materialises is therefore low and will be limited to £139,190 (at 2018 prices) per annum for three years. However, should the passenger demand for the station not materialise, KCC will need to revenue fund up to this amount (£139,190 at 2018 prices) per year for the first three years after the station opens.
- 5.9 KCC will maintain ownership of the car park retaining responsibility for its operation and maintenance. Demand modelling undertaken indicates that the income from the car park will be sufficient to cover the cost of operation and maintenance. Should actual demand for the station not reach the modelled demand, then there will be a revenue requirement that KCC will need to meet. The business case shows car park income in year 1 equates to £168,000 (discounted to a 'present value year' of 2010) which exceeds the £84,240 (at 2018 prices) per annum operating cost. The likelihood of this risk materialising is therefore low and will be limited to £84,240 (2018 prices) per annum.

However, should the demand for the car park not materialise, KCC will need to revenue fund up to this amount (£84,240 at 2018 prices) per year.

- 5.10 As the scheme enters the detailed design phase, there is a potential risk of cost escalation given the GRIP4 estimates are based on a probability of 80%. Brexit may also result in increased costs due to contractor and or materials availability. To mitigate, the project cost estimate contains an allowance for contingency (11% on Station and car park works and 57% of level crossings works), and therefore it is anticipated that the final cost of the scheme will reduce below the current estimate. KCC will see its contribution to the funding envelope reduce with any reduction in the realised scheme costs, however, cost escalation will need to be met by KCC should it occur. All other potential external funding opportunities will also continue to be explored to reduce KCC's contribution to the scheme.

6. Risks

- 6.1 The LGF funding (£14m) is required to be spent by March 2021, although project completion is scheduled for December 2022 (Financial year 2022/2023). A revised spend profile for the scheme is required following the revised cost estimate, however, it is anticipated that £9.3m of LGF money can be spent prior to the March 2021 deadline, with the remaining £4.7m to be spent the following year. SELEP have set out five conditions to be satisfied to allow spend beyond the March 2021 deadline, to which KCC will demonstrate compliance:

- 6.1.1 A clear delivery plan with specific delivery milestones and completion date to be agreed by the Board;
- 6.1.2 A direct link to the delivery of jobs, homes or improved skills levels within the SELEP area;
- 6.1.3 All funding sources identified to enable the delivery of the project. Written commitment will be sought from the respective project delivery partner to confirm that the funding sources are in place to deliver the project beyond the Growth Deal;
- 6.1.4 Endorsement from the SELEP Strategic Board that the funding should be retained against the project beyond 31st March 2021; and;
- 6.1.5 Contractual commitments being in place with construction contractors by 31st March 2021 for the delivery of the project.

7. Next steps

- 7.1 In order to progress the scheme, the project team intend to commission Network Rail to undertake GRIP1-4 for the level crossings, a detailed design and subsequent build of the station and car park (GRIP5-8) and commission detailed design for the highway junction works, followed by the award of a build contract. However, alternative delivery models are being explored as there could be efficiency savings and reduced programme risk if Network Rail deliver the junction works alongside the station and car park.
- 7.2 The proposed decision (Appendix A) asks Cabinet to agree to progress and deliver the Thanet Parkway Railway Station project (up to a total KCC contribution of £17.81m), which will include:

- a) undertaking detailed design; and subject to planning approval;
- b) completing acquisition of the land; and
- c) entering into contracts as necessary for construction.

7.3 The proposed Cabinet decision also asks that authority is delegated to the Corporate Director of Growth, Environment & Transport, in consultation with the Cabinet Member for Highways and Transport, to take appropriate actions necessary to implement this decision, including but not limited to, deciding the preferred procurement route and entering in relevant contracts (of which KCC's contribution is to the maximum value of £17.81m) or other legal agreements.

8. Legal implications

8.1 Invicta Law is providing advice and the land acquisition will be completed by KCC Infrastructure. Any further legal implications to be established through continued engagement with Invicta Law Ltd and Strategic Commissioning.

9. Equalities implications

9.1 The Equalities Impact Assessment (EqIA) is attached at Appendix C.

9.2 A non-statutory pre-planning consultation was held from January to March 2017. As part of the consultation questionnaire, respondents were asked about their views on the EqIA and the proposals for the station. Following the changes to the design from footbridge to subway, a number of representative groups were contacted in March 2019 for their views on the use of subways at stations. These views are being considered as part of the design process as the station progresses.

10. Data Protection implications

10.1 A Data Protection Impact Assessment is not required as this project does not require the processing of personal data.

11. Other corporate implications

11.1 Following delivery of the scheme, the KCC Corporate Landlord will retain ownership of the car park, retaining responsibility for its operation and maintenance.

12. Governance

12.1 This is a Key Decision by virtue of involving more £1m of expenditure and being of a significant nature. Consequently, the decision may only be taken by Cabinet or a Cabinet Member. As per the proposed decision by Cabinet, authority to take necessary actions to implement the decision will be delegated to the Corporate Director for Growth, Environment and Transport. The Executive Scheme of Delegation for Officers, set out in the Constitution, provides the governance pathway for the implementation of Executive Member decisions by Officers.

12.2 The project is also governed by a number of groups and boards to ensure oversight and stakeholder input. The Project Review Board chaired by Network Rail meets monthly and consists of KCC officers and the Train Operating Company (Southeastern). An internal KCC officer Project Board meets quarterly (or more often as required). Written updates are provided to external stakeholders Thanet District Council and Dover District Council. As part of the LGF governance process, monthly Programme Boards are held that receive project updates and collate a highlight report. This then informs the monthly Sponsoring Group meetings. Sponsoring Group consists of the Corporate Director Growth Environment & Transport, Head of Finance, Director Environment, Planning & Enforcement, Director Highways, Transportation & Waste, Transportation Head of Service and the Major Capital Programme Manager. This meeting discusses high-level programme and financial progress.

13. Conclusions

13.1 A decision is needed to enable KCC to progress the delivery of Thanet Parkway Railway Station through detailed design and construction, subject to planning approval. The project has made significant progress through feasibility and into outline design, but now requires a formal decision to allow it to proceed through detailed design to station delivery and ultimately entry into service.

13.2 In addition to the extensive public consultation carried out for this project over the course of its development, the Environment and Transport Cabinet Committee recommended that public opinion on the station be tested again prior to the decision being taken by Cabinet. Subsequently, Cabinet requested a public opinion survey at its meeting on 2nd December 2019.

13.3 To this end, KCC's Business Intelligence Unit has commissioned a survey ensuring that a representative sample of responses is achieved across the catchment area of the proposed station. The results of this survey will be presented at Cabinet owing to publishing dates falling before the receipt of the survey results. KCC has also been involved in further engagement with Thanet District Council and local businesses, which has shown positive support for the project.

13.4 It is recommended that the results of the public opinion survey and the views of local members, the business community and residents in the catchment area be discussed and considered by Cabinet before a decision is made.

13.5 Critically, the decision as to whether KCC would like to progress the project, and therefore to fill the funding gap for Thanet Parkway cannot be deferred any further. Alternative funding options have been thoroughly investigated and without KCC's investment the project is unlikely to be delivered in the foreseeable future. The final opportunity to seek approval for the £14m Local Growth Fund contribution from SELEP is 14th February 2020. If the Thanet Parkway business case is not presented to the Accountability Board on that date with the full funding package secured, the £14m funding will be reallocated to other projects across the SELEP area (East Sussex, Kent, Medway, Thurrock, Southend-on-Sea, and Essex).

14. Recommendation

14.1 Subject to the consideration of the public opinion survey results and all consultation and analyses to date, Cabinet is recommended to take the decision (as attached decision sheet at Appendix A) to:

1) agree to progress and deliver the Thanet Parkway Railway Station project (up to a total KCC contribution of £17.81m, subject to necessary increases to the capital budget allocation in the 2020/21 County Council budget), which will include the following key activities;

- a) undertaking detailed design; and subject to planning approval;
- b) completing the acquisition of the land; and
- c) entering into contracts as necessary for construction.

2) delegate authority to the Corporate Director of Growth, Environment & Transport, in consultation with the Cabinet Member for Highways and Transport, to take appropriate actions necessary to implement this decision, including but not limited to, deciding the preferred procurement route and entering into relevant contracts (of which KCC's contribution is to the maximum value of £17.81m) or other legal agreements.

15. Appendices

- Appendix A: Proposed Record of Decision
- Appendix B: Station layout plan and artist's impressions
- Appendix C: Equalities Impact Assessment (EqIA)
- Appendix D: Letters of support (2019/20)

16. Background Documents

- Consultation Report for the 2015 public consultation can be accessed at: https://kccconsultations.inconsult.uk/gf2.ti/f/780162/24623941.1/PDF/-/Thanet_Parkway_Public_Consultation_Report_Updated.pdf
- Consultation Report for the 2017 public consultation can be accessed at: https://kccconsultations.inconsult.uk/gf2.ti/f/780162/29447813.1/PDF/-/Thanet_Parkway_Consultation_Report_FINAL_AUGUST_2017.pdf

17. Contact Details

Report Author: Joseph Ratcliffe, Transport Strategy Manager 03000 413445 joseph.ratcliffe@kent.gov.uk	Relevant Director: Katie Stewart, Director Environment, Planning and Enforcement 03000 418827 katie.stewart@kent.gov.uk
--	---