

From: **Neil Baker – Cabinet Member for Environment & Transport**
Haroona Chughtai – Director of Highways & Transportation

To: **Environment & Transport Cabinet Committee**

Decision No: **23/00117**

Subject: **North Thanet Link**

Classification: **Unrestricted**

Past Pathway of Paper: None

Future Pathway of Paper: For Cabinet Member Decision

Electoral Division: Birchington & Rural – Derek Crow-Brown, Linda Wright,
Margate – Barry Lewis

Summary: This paper set out the necessary steps to enable the delivery of the North Thanet Link (formally known as A28 Birchington, Acol and Westgate on Sea Relief Road), and provides a Major Highway Improvement Scheme and funding update.

Recommendation(s): The Cabinet Committee is asked to consider and endorse, or make recommendations to the Cabinet Member on, the proposed decision as follows and as indicated on the proposed decision sheet attached at **Appendix A**, to give approval for the county council to:

- i. PROCEED with the currently developed route and design for North Thanet Link and for this to be further developed as a preferred option which best meets the objectives of the scheme.
- ii. ENABLE KCC officers to project manage, input into the delivery and supervision of the project, with the cost of all staff and consultant time being recoverable against the project funding.
- iii. PROGRESS the preferred option through the next stages of scheme development including detailed design, associated site surveys/investigations, and ancillary works relating to drainage, environmental and highway mitigation.
- iv. DEVELOP and submit a planning application for the scheme, following completion of the outline design process.
- v. TAKE all steps necessary to obtain and implement all Statutory Orders and approvals or consents required for the scheme, including but not limited to Compulsory Purchase Order, Side Roads Order and any Traffic Regulation Orders required for the delivery and successful operation of the scheme.

vi. NEGOTIATE and complete all required land acquisition including by means of Compulsory Purchase Order as necessary to secure the delivery and future maintenance of the scheme.

vii. ENTER into Major Road Network funding agreement with the Department for Transport, subject to the approval of the Corporate Director for Finance and for any secured funding to be spent on the design, development and delivery of the scheme.

viii. PROGRESS And complete a procurement process and enter into construction contracts as necessary for the delivery of the scheme, subject to the approval of Strategic Commissioning.

ix. DELEGATE to the Corporate Director of Growth, Environment and Transport, under the Officer Scheme of Delegations, to take further or other decisions as may be appropriate to deliver the North Thanet Link scheme in accordance with these recommendations.

1. Introduction

1.1. The A28 in Thanet is an existing primary highway link which runs between St Nicholas-at-Wade and Margate via Birchington and Westgate on Sea. It is a route of varying specification, which included sections of both dual carriageway and single carriageway. Some sections of the A28 are narrow in nature and do not include dedicated cycling infrastructure.

1.2. Road users of the A28 have long experienced high volumes of traffic and unreliable journey times, which often results in 'rat running' of vehicles through local villages and residential streets including Acol village, where a bypass road has long been lobbied for by local stakeholders and the Parish Council. These issues are compounded during times of routine maintenance and unplanned incidents that further reduce available road capacity. Despite recent signage and traffic calming improvements being introduced, Acol village also remains a well-used rat run route by traffic avoiding the A28 corridor, this is particularly noticeable during network peaks.

1.3. Seasonal fluctuations in traffic flow are experienced on the A28, with summer months being busier and traffic volumes being unpredictable throughout the day. These instances are often experienced during times of fine weather and local events taking place within the district of Thanet, which is a key tourism destination within the county.

1.4. The scope for targeted improvement on the A28 corridor itself is very limited. There are no dedicated cycling facilities on the A28, which has a bearing on travel mode choice for existing and future residents.

1.5. As part of the development of the adopted Thanet Local Plan, the Thanet Transport Strategy (TTS) was produced jointly by KCC and TDC. This strategy document sets out several key transport interventions to assist in managing growth on the local highway network across the Local Plan period up to 2031.

- 1.6. The primary mitigation feature within the TTS is the Inner Circuit Route Improvement Strategy (ICRIS), which identifies a package of new and improved highway links to support the existing road network. North Thanet Link focusses delivery of several ICRIS interventions identified within the north of the district. These are also identified as a priority within KCC's Local Transport Plan.
- 1.7. A bid has been submitted to the Department for Transport (DfT) for funding from the Major Road Network (MRN) programme to support the delivery of this key transport infrastructure improvement.
- 1.8. This report provides an overview of the project and recommendations for the required decisions that will enable the scheme to be progressed through the next stages of development and subsequent delivery (subject to funding availability).

2. Scheme Description and Delivery

- 2.1. North Thanet Link (from this point onward referred to as 'the scheme') focusses on improving connectivity and resilience within the road network of Thanet. This will help the local road network to cope with future increases in traffic likely to be generated by growth and tourism activity which is expected within the district. It will also provide additional travel routes for pedestrians, cyclists, and public transport services to encourage active travel for short to medium distance journeys.
- 2.2. The scheme comprises of approximately 9.2km of new and improved highway infrastructure including: -
 - widening of existing public highway
 - construction of new highway links through proposed development sites and across agricultural farmland
 - highway junction improvements
 - provision of new walking and cycling routes
 - sustainable drainage solutions
- 2.3. Scheme plans can be found in **Appendix B**. These show the currently intended route and design of the scheme. The scheme will be subject to further design evolution as further detailed design and environmental surveys are completed. The current scheme revisions reflect recent discussions that have been held with key consultees and to respond to some of the feedback received through the recent public consultation process.
- 2.4. The scheme provides an alternative southern transport corridor to the existing A28 within Birchington, Westgate-on-Sea and Margate. It will also provide a much-requested eastern bypass around the village of Acol. The A28 corridor forms part of the nationally recognised MRN, a specific category of road which enables the council to bid for capital funding from DfT via the Major Road Network and Large Local Majors Programme.

- 2.5. As part of the scheme development process, an optioneering exercise was completed to establish potential alternative solutions to those outlined for North Thanet Link, and these were set out as part of the Business Case process that was submitted to DfT.
- 2.6. The alternative options that were considered included a northern bypass road, localised junction and link improvements on the A28 corridor, a southern relief road and two further iterations of alternative traffic routing and improvements to the south of the A28. A range of public transport focussed measures were also considered. Following a scoring and sifting exercise none of these options were deemed as suitable alternatives to those eventually progressed as the North Thanet Link scheme.
- 2.7. The emerging preferred scheme has been developed into a preliminary design and an initial land referencing exercise has been completed to identify potential land acquisition requirements. Following this, early-stage discussions have commenced with several land stakeholders and this process will continue as the scheme develops from its preliminary design status moving toward a planning application and subsequent detailed design process.
- 2.8. While steps are being taken to seek assembly of all the land by voluntary agreement, the formal completion of the legal aspects are often lengthy, and the County Council has no control over this timetable or certainty of completion. Therefore a Compulsory Purchase Order (CPO) will also need to be progressed in parallel to any voluntary negotiations. If voluntary acquisition of all land is achieved and completed, then it is possible that this requirement may fall away. The scheme also requires the use of land owned by county council at the northern extend of the existing Columbus Avenue within Manston Business Park.
- 2.9. The scheme has a strong level of local support. Letters of support have previously been received from the Local Member of Parliament, Birchington, Minster, Acol Parish Councils, Westgate-on-Sea Town Council and Thanet District Council.
- 2.10. A public consultation exercise was completed between 11 May and 14 June 2023. This process included two public exhibitions events, held in Birchington and Westgate-on-sea, as well as several other promotional activities. A copy of the consultation report can be found in **Appendix C**.
- 2.11. The consultation generated approximately 307 responses, and these have been analysed and fed into the consultation report. Within the consultation questionnaire, stakeholders were asked to what extent they agree or disagree with the overall proposals for the North Thanet Link. 65% of consultees, agreed with the proposals, 29% disagreed and 6% neither agreed or disagreed. This further demonstrates a high level of support for the scheme.

- 2.12. The main reasons for stakeholders supporting the scheme relate to the presence of traffic congestion in the area and the need for better road infrastructure to help manage this.
- 2.13. The main reasons for stakeholders opposing the scheme concerned the impact of the scheme on farmland and a perception that the scheme would increase traffic congestion in the area. There is also concern with the level of development planned within the district and the perception that the scheme will help to facilitate these coming forward.
- 2.14. Two options for the proposed junction onto the A28 within Birchington were included within the consultation, these being signal and roundabout variants. 21% of consultees agreed with the signalised option and 56% agreed with the roundabout option. Therefore the roundabout was the favoured option, and consequently this is the option that the council intends to progress through to the next stage of scheme development.
- 2.15. Following the recent public consultation and extended discussion with other stakeholders, the emerging design of the scheme has been subject to several changes. These include amongst others:
- Additional controlled crossing facilities at several locations within the route to cater for pedestrian, cyclist, and equestrian desire lines.
 - Additional footway/cycleway on Shottendane Road to the south of the proposed corridor.
 - Provision of a revised roundabout design for the A28 junction including pedestrian and cycle crossing facilities.
 - Realignment of the Columbus Avenue link to reflect emerging development proposals.
 - Changes to road alignment and geometry at the eastern extent of the scheme to reflect latest development proposals.
 - Widening of approach lanes at some junctions, increasing capacity to reflect traffic flow forecasts.
 - Reduction in the number of approach arms at the proposed junction with Manston Road/Shottendane Road and Columbus Avenue extension.
 - Relocation of shared footway/cycleway to the north side of Manston Road.
- 2.16. The scheme routes through several proposed development sites, therefore the final alignment and design of the scheme may be influenced by development planning decisions that are made outside of the direct jurisdiction of the council (often made by the District Council as the Local Planning Authority).
- 2.17. Subject to necessary approvals and funding availability, the scheme is estimated to be open to traffic in 2028. The current delivery programme is shown below.

Pre-Strategic Outline Business Case – Approved	Summer 2019
Strategic Outline Business Case (SOBC) - Approved	Winter 2021
Public Consultation – Completed	May/June 2023
Outline Business Case (OBC) – Completed	November 2023
Full Business Case (FBC)	September 2026*
Planning Application	Q3 2024*
Statutory Orders Published	Q2 2025*
Procurement Process (inc initial market engagement)	Q4 2025 to Q3 2026*
Construction	Q1 2027 to Q4 2028*

*Please note that the above dates are subject to change and may be influenced by approvals, funding availability and potential CPO requirements

- 2.18. Due to the nature and scale of the scheme, planning consent will be required and this will be supported by an Environmental Impact Assessment (EIA). The submission package and development of the EIA is currently in progress and will continue throughout 2024.
- 2.19. It is possible that the findings and recommendations of the EIA and the subsequent planning process will have a bearing on future scheme design. The planning process will be subject to a statutory public consultation, at which stage local stakeholders will have the opportunity to comment on the final scheme design and proposals.
- 2.20. As part of the proposed planning package, a comprehensive transport impact appraisal will be undertaken, which will examine in detail the impact of the scheme on the surrounding highway network. Once this process has been completed, complimentary mitigation measures may be identified and subsequently form part of the scheme proposals. This could include measures such as new/additional waiting restrictions, localised junction improvements and enhanced pedestrian and cycling infrastructure.
- 2.21. As with any large highway infrastructure project there are several project risks that need to be considered and effectively managed. Some of the main risks for this project include the availability and timing of funding, environmental constraints, in particular potential archaeological finds, unexpected ground conditions, inflation, and delays to construction due to potential utility diversions. The project team are regularly reviewing scheme risks, and these have been considered when calculating the scheme cost estimate.
- 2.22. The scheme is currently considered to offer high value for money for the wider public purse, with the findings of the Business Case currently being subject to audit and review by the DfT.
- 2.23. Following statutory approvals and funding award, the scheme will be subject to a procurement exercise. Initial engagement with the market is already at an early stage and the preferred route of procurement and form of contract will be progressed in full cooperation of the council's Strategic Commissioning Team.

- 2.24. Further public engagement will be undertaken on the lead up to and during the delivery of the scheme.

3. Financial Implications

- 3.1. The scheme is subject to an active bid by the council to the DfT through its Major Road Network and Large Local Majors funding programme. In December 2021, KCC was awarded £0.75m by the DfT to develop an Outline Business Case (OBC). Consequently an OBC submission was made in November 2023, with feedback on the OBC submission expected from DfT in early 2024.
- 3.2. Subject to successful progression through the funding bid process, the current scheme estimate will be fully externally funded and delivered through a combination of DfT grant funding (£62.9m) and S106 developer contributions (£13.8m). The exact financial figures may be subject to indexation at the point of funding award, however, the scheme would remain fully externally funded, with KCC involvement being the potential forward funding of scheme development, either through banked S106 contributions (see 3.3) or the Feasibility Reserve (see 3.7).
- 3.3. As the funding bid currently requires a local contribution, the source of this funding has been identified from the strategic housing allocations set out within the emerging Thanet Local Plan. These sites are located in Birchington - 1600 dwellings (£5.7m), Westgate-on-Sea - 2000 dwellings (£6.2m) and Hartsdown Road - Margate - 450 dwellings (up to £2.4m). Discussions with all developers are at an advanced stage of negotiation, however funding agreements are subject to the granting of planning consent. At present, the Hartsdown Road site benefits from planning consent, with Birchington and Westgate-on-Sea still awaiting decision from the Local Planning Authority.
- 3.4. To date £1.6m of Section 106 funding has been banked from development in Westwood (Eurokent) and can be used to develop this scheme, however this funding will be redirected to other local transport projects upon receipt of full funding from the other three development sites. The three remaining S106 contributions are expected to be banked in full in year 25/26, however exact timing is dependent on the granting of planning consent and first occupation.
- 3.5. The scheme is referenced within the KCC 23/24 Capital Programme row 58 (Page 26). Whilst the scheme cost is currently stated as £49.001m, this reflects a historic cost estimate undertaken in 2019 and its previously anticipated delivery programme. Those costs were calculated prior to the Covid-19 pandemic and Ukraine/Russia conflict, which amongst other nationally significant events, has led to inflationary rises for all schemes within the construction sector. The scheme budget is due to be updated as part of a forthcoming update of the Capital Programme. The DfT funding bid and developer match funding has been adjusted to reflect the updated scheme cost estimate, therefore if approved, the scheme remains fully externally funded.

- 3.6. DfT recently announced a £36 billion plan to improve transport infrastructure that people use every day. This initiative is known as 'Network North'. As part of this policy paper it was announced that there would be an increase in available funding for MRN schemes, with DfT potential increasing funding to 100% of scheme costs calculated at OBC stage. Whilst at time of writing the full details of this funding package have yet to be shared with the council, this marks a potential commitment from DfT to accelerate scheme delivery and would potentially assist the county council in managing financial cash flow risks and provide an even greater price risk/contingency.
- 3.7. Whilst no KCC funding is required to deliver the scheme, in the absence of 100% funding by the DfT, a level of funding (up to £1.97m) may be required from the council's Feasibility Reserve in 2024/25 (subject to internal approval processes). This will enable time sensitive scheme development activities to take place, such as environmental surveys, design and a planning application and enables best value to be achieved. This will be reimbursed when grant and/or S106 developer funding is banked. If following this process, the county council decides not to progress the scheme, any money spent on OBC or FBC at that point could be abortive.
- 3.8. Future maintenance of the scheme would be funded by general highway maintenance budgets, however commuted sums have been included for some of the proposed assets such as street lighting and signal equipment. The recently diverted 'Network North' monies not only offers opportunities for up to 100% of scheme funding, but KCC has also recently been awarded £4.296m in both 23/24 and 24/25 (with later years to follow) as additional grant towards asset management across the road network within Kent.
- 3.9. Whilst the scheme would involve the delivery of numerous new highway assets, which would require cyclic maintenance throughout their lifespan, a large extent of the scheme also includes the renewal and upgrade of existing ageing road infrastructure that was never designed for the volume nature of traffic that it now accommodates. This issue will be exacerbated as traffic activity inevitably increases as a result of planned development in the district.
- 3.10. The scheme presents an opportunity to extend the lifespan of existing highway assets in Thanet which is then less of a call on future asset management/resurfacing budgets, as well as mitigating the risk of costly emergency revenue repairs or category 1 unfunded asset replacement capital spend, helping to manage maintenance liabilities and achieving best value for the council.

4. Legal Implications

- 4.1. There are no immediate legal implications for the scheme. The purpose of the report and recommendations are to secure appropriate legal authorities to develop and progress the scheme and allow the funding agreement to be entered into with DfT to enable the scheme to be delivered.

- 4.2. Legal advice is being sought from Legal Services as required, and due process will be followed in relation to any statutory approvals such as traffic orders and CPO.

5. Policy Framework

- 5.1. The scheme supports Kents strategic priorities that are outlined within Framing Kent's Future 2022-2026. It will help level up Kent by providing enhanced transport accessibility and connectivity within the district of Thanet, and in particular Margate, one of Kent's most deprived areas. The proposed walking and cycling infrastructure will provide enhanced active travel opportunities which will contribute towards improving the health of the local population.
- 5.2. The scheme is consistent with 'Infrastructure First' principles by accelerating the delivery of key transport infrastructure and enhancing leverage of external infrastructure investment within the district from the government.
- 5.3. The proposed walking and cycling infrastructure will provide enhanced active travel opportunities contributing towards improving accessibility by a range of sustainable travel options.
- 5.4. The scheme will continue to be mindful of Securing Kent's Future. It will not impact on the 2023/24 budget as all remaining scheme development activities for this year will be funded by existing (ringfenced) external sources, therefore the scheme will not compromise Objective 1.
- 5.5. Whilst funding may be required from the council's feasibility reserve in 2024/25, which is relevant to Objective 2, there are consequential benefits to scheme programme, scheme risk management and maximising benefits from previous investment, which justifies such expenditure and achieves best value for the council.
- 5.6. The close alignment of the scheme to Framing Kent's Future and the future opportunity for all scheme costs to be recouped from external funding, means that this directly supports outcomes that residents and communities are seeking to achieve and is consistent with Objective 3, which again achieves best value for the council.
- 5.7. The scheme aligns strongly with three priorities from the current KCC Local Transport Plan – outcome 1: economic growth and minimised congestion, outcome 3: safer travel, and outcome 4: enhanced environment. There is also good alignment with outcome 5: better health and wellbeing, as the proposed active travel improvements will contribute to improved health.
- 5.8. The scheme is a good fit with strategic transport infrastructure outlined within the Thanet District Local Plan. The route is consistent with policy SP47 which safeguards areas of the district to support the Thanet Transport Strategy.

6. Equalities implications

- 6.1. An Equalities Impact Assessment has been prepared and approved and is included in **Appendix D**. This will be reviewed periodically as the scheme develops and the design is progressed.

7. Other corporate implications

- 7.1. The construction of new highway assets will require ongoing maintenance and as such would become additional maintenance requirement for incorporation into future highway maintenance budgets. The costs of maintenance will be calculated and form part of an asset management plan in the future.

8. Local Member Engagement

- 8.1. Local County Members have been briefed on the scheme and understand the delivery requirements including the potential need for the use of compulsory purchase. Members were present at public exhibitions and have been given regular opportunities to communicate with the project team during the ongoing development of the scheme.

9. Governance

- 9.1. The recommendations include for delegation to the Corporate Director for Growth, Environment and Transport to take further or other decisions as appropriate.

10. Conclusions

- 10.1. The North Thanet Link scheme provides an excellent opportunity for the council to secure much needed highway infrastructure investment and encourage economic growth.
- 10.2. The DfT grant will cover 82% of the project costs with the remaining 18% being sourced from developer contributions. It is possible that this may be increased to 100% DfT funding following recent DfT announcements regarding MRN scheme funding via its Network North policy paper.
- 10.3. The scheme is at preliminary design stage and further work needs to be done to progress detailed scheme design. The scheme will be subject to further design evolution and will be subject to a planning submission, which will be subject to its own statutory consultation process.
- 10.4. This report and recommendations are intended to provide the relevant authorities to allow the scheme to progress.

11. Recommendation(s)

Recommendation(s):

The Cabinet Committee is asked to consider and endorse, or make recommendations to the Cabinet Member on, the proposed decision as follows and as indicated on the proposed decision sheet attached at Appendix A, to give approval for the county council to:

- i. PROCEED with the currently developed route and design for North Thanet Link and for this to be further developed as a preferred option which best meets the objectives of the scheme.
- ii. ENABLE KCC officers to project manage, input into the delivery and supervision of the project, with the cost of all staff and consultant time being recoverable against the project funding.
- iii. PROGRESS the preferred option through the next stages of scheme development including detailed design, associated site surveys/investigations, and ancillary works relating to drainage, environmental and highway mitigation.
- iv. DEVELOP and submit a planning application for the scheme, following completion of the outline design process.
- v. TAKE all steps necessary to obtain and implement all Statutory Orders and approvals or consents required for the scheme, including but not limited to Compulsory Purchase Order, Side Roads Order and any Traffic Regulation Orders required for the delivery and successful operation of the scheme.
- vi. NEGOTIATE and complete all required land acquisition including by means of Compulsory Purchase Order as necessary to secure the delivery and future maintenance of the scheme.
- vii. ENTER into Major Road Network funding agreement with the Department for Transport, subject to the approval of the Corporate Director for Finance and for any secured funding to be spent on the design, development and delivery of the scheme.
- viii. PROGRESS and complete a procurement process and enter into construction contracts as necessary for the delivery of the scheme, subject to the approval of Strategic Commissioning.
- ix. DELEGATE to the Corporate Director of Growth, Environment and Transport, under the Officer Scheme of Delegations, to take further or other decisions as may be appropriate to deliver the North Thanet Link scheme in accordance with these recommendations.

10. Background Documents

Appendix A – Record of Decision

Appendix B – Preliminary Scheme Drawings

Appendix C – Consultation Report
Appendix D – Equalities Impact Assessment

11. Contact details

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