

From: Barbara Cooper – Corporate Director of Growth,
Environment & Transport

To: Mike Whiting – Cabinet Member, Planning, Highways,
Transportation and Waste

Decision No: 19/00053

Subject: Dover Bus Rapid Transit (BRT) – Infrastructure delivery
partner with Dover District Council

Electoral Division: Dover West, Dover North and Dover Town

Summary: Approval to enter into a legal agreement with Dover District Council to act as an infrastructure delivery partner at no cost or risk to the County Council and to take the project through detail design, planning, statutory approvals and to enter into a construction contract.

Recommendation(s):

The Cabinet Member for Planning, Highways, Transportation and Waste is asked to give approval to the proposed decision as follows and as indicated on the proposed decision sheet attached at Appendix A

- i) Approval to enter into legal agreements with Dover District Council to undertake the delivery of the Infrastructure Works at no cost or risk to the County Council.
- ii) Approval for 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) Approval to undertake the detailed design and surveys for the project, to include a new bridge crossing the A2, associated approaches to link to existing/proposed highway, a new link road through the undeveloped White Cliffs Business Park, improvements to the existing Dover Road and links/improvements for the junction onto the existing A258. This work will be undertaken by procuring consultants through an existing framework contract.
- iv) Approval to acquire the land and rights for carrying out the construction and maintenance of the BRT project
- v) Approval to progress all statutory approvals and consents required for the scheme including Section 6 Agreement with Highways England, drainage and environmental consents and detailed planning permission.
- vi) Approval to enter into construction contracts as necessary for the delivery of the scheme subject to the approval of the Infrastructure Commissioning Board to the recommended procurement strategy.

vii) Approval for any further decisions required to allow the scheme to proceed through to delivery to be taken by the Corporate Director of Growth, Environment & Transport under the Officer Scheme of Delegations following prior consultation with the Cabinet Member.

1. Introduction

- 1.1 The Dover Bus Rapid Transit (BRT) project will provide a high quality and reliable public transport service linking major housing allocations at Whitfield (5,750 homes) to Dover Town Centre and the High-Speed Rail services at Dover Priory Station. The BRT also has the potential to facilitate Park and Ride services to Dover Castle and the Town Centre / Waterfront, assisting future growth and opportunities within the District.
- 1.2 Part of the new route will be delivered through the build-out of the housing developments and part of the route will utilise the existing highway network. However, new elements of infrastructure have been identified for the route, as follows:
 - a) New A2 overbridge for bus/ pedestrian and cycle access.
 - b) New dedicated bus link through White Cliffs Business Park (to Dover Road).
 - c) Localised widening of Dover Road.
 - d) Junction improvements at Castle Hill Road (To be delivered as part of the proposed Connaught Barracks Development which is now owned by Homes England)
- 1.3 In order to advance the project, Dover District Council (DDC) submitted a funding bid to Homes England (HE) for £15.8m through the Marginal Viability Housing Infrastructure Fund (HIF) in September 2017, for the infrastructure elements listed above.
- 1.4 Following ongoing discussions with Homes England, further clarifications were required and submitted in November 2018. Funding of £16.1m was subsequently confirmed at HE's Grant Recommendation Panel on 12 April 2019, subject to DDC concluding the following funding pre-contract conditions:
 - a) DDC to provide written evidence that independent State Aid advice has been sought and that there are no issues in this regard.
 - b) DDC to confirm in writing that it accepts its obligation to use reasonable endeavours to recover the HIF grant funding via appropriate contributions from landowners/developers associated with the delivery of housing development through the planning process and recycle it into future residential housing development schemes.

- c) DDC to provide a revised cash flow for the scheme that reflects the HE opinion on land value.
- d) DDC to provide evidence that all land required for the implementation of the BRT is within its control.
- e) DDC to provide to HE its strategy for the procurement of an operator for the BRT and for DDC to confirm in writing that it will work in partnership with KCC Highways and a Bus Operator to use money from S106 Agreements to operate, or subsidise the operation, of the BRT for a minimum period of 3 years from the date of the BRT completion.

1.5 DDC have made progress with all the conditions and expect to discharge these with HE prior to the execution of the funding agreement.

2. Financial Implications

2.1 There are no implications to either the KCC revenue or capital budgets. Dover District Council made a successful funding bid through Homes England's Marginal Viability Housing Infrastructure Fund (HIF) and were awarded £16.1m in April 2019.

2.2 The County Council supported DDC with the funding bid and were involved with the production of the project estimate and risk allowances.

2.3 The funding is being drawn down quarterly by DDC directly from Homes England and KCC will invoice DDC on a monthly basis to recover costs. DDC have accepted that for KCC to provide the resources to deliver the BRT scheme there will be no financial cost and no risk to KCC – covering these aspects and ensuring KCC is not exposed to financial risk are the key aspects of the Agreement with DDC.

3. Policy Framework

3.1 The scheme supports the Strategic Statement Outcome 2 by reducing congestion, improving the highway infrastructure to provide more reliable journey times and improved public transport links and accessibility, to support Kent business and housing growth and encourage economic activity to benefit the local and wider communities.

4. The Report

4.1 As part of the project development, several preliminary investigations have been carried out and reports produced to demonstrate the viability of the proposed scheme and to support the funding bid. These include:

- a) A Feasibility Options Report, a Preliminary Design Interim Report and a Geotechnical Feasibility Report.

- b) Route options report produced by Atkins Highways & Transportation, who undertook design development work on three potential route options for BRT in 2013, identifying a preferred option through the White Cliffs Business Park between the B&Q roundabout and Dover Road.
 - c) Amey feasibility report on the proposed bridge to carry the BRT and a combined footway/cycleway across the A2 at Whitfield.
- 4.2 Initial surveys and investigations focused on some of the key risk areas to ensure the project estimate was robust and included for the appropriate level of risk.
- 4.3 DDC received approval at their Cabinet meeting on 1 July 2019 to enter into a funding agreement with Homes England. A report is to be taken to their full Council meeting on 24 July 2019, and subject to the outcome of this meeting, it is anticipated that the legal agreements will be signed at the end of July 2019.
- 4.4 There are no legal implications associated with this scheme. Invicta Law will be drafting the Infrastructure Delivery Agreement with DDC.
- 4.5 Once the legal agreements are in place the County Council will appoint a design consultant through an existing framework to undertake the work required to complete the detail design, contract documents and planning application.
- 4.6 The County Council will be appointing an independent cost consultant through an existing framework to provide support in managing the expenditure on the project.
- 4.7 Once the design is sufficiently developed, a public consultation will be held with key stakeholders, the local community and the general public, to allow the scheme to be refined and the design finalised. The consultation will be carried out jointly with DDC.
- 4.8 Highways England is a key stakeholder for the new bridge as it crosses over the A2. Both a Section 6 Agreement, that allows KCC to undertake work on the strategic road network, and technical approval will be required. Initial discussions have been held with Highways England and they have given their support in principle to the project.
- 4.9 Delivery of the scheme will be dependent on completing the detailed design, obtaining planning permission and procuring a contractor through a competitive tender process under European procurement rules. The current project estimate includes a risk and inflation allowance, but a more robust estimate will be prepared as the design develops and where it will be possible to provide a more accurate assessment of the project risks. DDC will be required to approve the final contract price before construction contracts are signed.
- 4.10 The HIF funding must be spent by 31 March 2022, so it is currently anticipated that construction will commence in early 2021.

- 4.11 DDC will be establishing a Project Board that will meet quarterly to manage the delivery of the project and sign off any significant changes to the project.
- 4.12 An Equalities Impact Assessment has been carried out and is appended to this report.
- 4.13 DDC have or are currently arranging for land agreements with developers where land is required for the project. The proposed infrastructure will become adoptable highway at completion of the project and as such all land secured for the scheme by DDC will be transferred to the County Council.
- 4.14 A risk register has been developed jointly by DDC and KCC, which identifies the key risks to the delivery of the project across areas such as cost, design, operation, planning and programme. The primary risk items are:
- a) DDC are unable to execute the funding agreement – DDC, with support from KCC have made significant progress in concluding the pre-contract conditions.
 - b) Land required for the scheme – DDC already have an agreement in place for the land through the White Cliffs Business Park and are currently progressing an agreement for the land required for the new bridge. All other land required for the project is either highway land or is already owned by DDC.
 - b) Planning/EIA Requirements – Planning is required for the new bridge and road through the White Cliffs Business Park. Work has already started to mitigate this risk by undertaking work required to seek an EIA screening opinion.
- 4.15 Subsequent to the decision by the Cabinet Member, any further decisions required to allow the scheme to proceed through to delivery will be taken by the Corporate Director for Growth, Environment & Transport under the Officer Scheme of Delegations following prior consultation with the Cabinet Member.

5. Conclusions

- 5.1 This is an important project that will help support housing delivery, job creation and general economic activity, as well as provide transport mitigation to both local and strategic road networks and improve public transport links. The project is fully funded by an allocation of £16.1m of HIF funding to Dover District Council and carries no risk or cost to KCC.

6. Recommendation(s)

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iii) Approval to undertake the detailed design and surveys for the project, to include a new bridge crossing the A2, associated approaches to link to existing/proposed highway, a new link road through the undeveloped White Cliffs Business Park, improvements to the existing Dover Road and links/improvements for the junction onto the existing A258. This work will be undertaken by procuring consultants through an existing framework contract.

iv) Approval to acquire the land and rights for carrying out the construction and maintenance of the BRT project

v) Approval to progress all statutory approvals and consents required for the scheme including Section 6 Agreement with Highways England, drainage and environmental consents and detailed planning permission.

vi) Approval to enter into construction contracts as necessary for the delivery of the scheme subject to the approval of the Infrastructure Commissioning Board to the recommended procurement strategy.

vii) Approval for any further decisions required to allow the scheme to proceed through to delivery to be taken by the Corporate Director of Growth, Environment & Transport under the Officer Scheme of Delegations following prior consultation with the Cabinet Member

7. Background Documents

- Appendix A – Proposed Record of Decision
- Appendix B – Equalities Impact Assessment

8. Contact details

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