APPENDIX B

The Kent Thameside Strategic Transport Programme

Annual Progress Report
2014
Contents

1. Introduction 1
2. Background 1
3. Programme 2
   Table 3.1 Current Schemes Included in the Kent Thameside Strategic Transport Programme
4. Funding 3
   Table 4.1 Current Anticipated Funding for the Kent Thameside Strategic Transport Programme
   Table 4.2 Developer Contribution Received and Secured
   Table 4.3 Summary of Funding Secured for the Kent Thameside Strategic Transport Programme
5. Expenditure 5
   Table 5.1 Breakdown of Expenditure 2008/09 to 2013/14
6. Progress of Schemes 7
7. London Paramount & Ebbsfleet Garden City 10
8. Outcomes 11
   Table 7.1 Housing and Commercial Development Completions 2009/10 to 2013/14
9. Governance 12
10. Background Documents 12
11. Contact Details 13

Appendix A Transport Improvements Completed
Appendix B DCLG/DfT Joint Ministerial Letter, 17th July 2012
1. Introduction

1.1 The Kent Thameside Strategic Transport Programme is a package of transport improvements that was conceived in 2005 in response to the anticipated impact of planned development across the Boroughs of Dartford and Gravesham. The broad aim of the programme is to deliver improvements at key locations across the transport network that would enable the planned level of development to be realised supporting the growth agenda for Dartford and Gravesham.

1.2 The programme responds to the difficulties encountered in assessing the individual transport impacts and mitigation of a complex pattern of development. It has been developed through a partnership involving Dartford Borough Council (DBC) and Gravesham Borough Council (GBC) as the local planning authorities; Kent County Council (KCC) as the local highway authority; the Department for Transport (DfT) and Highways Agency (HA) responsible for the strategic highway network and the Department for Communities & Local Government (DCLG) and Homes & Communities Agency (HCA) as the drivers of the Government’s growth agenda.

1.3 The programme is part of wider transport strategies for Dartford and Gravesham, set out within the Local Plan Development Frameworks for each of these Boroughs and is identified by Kent County Council in its Local Transport Plan for Kent 2011-16. Substantial improvements to public transport provision and the better integration of development with more sustainable forms of transport are key elements of the transport strategies which aim at maintaining a transport network that functions to an acceptable level of performance.

1.4 The programme is planned to be delivered over the next 10-15 years and work has already started on bringing forward schemes for delivery within the next 5 years. This report provides details of the progress that has been made of the last year.

2. Background

2.1 Considerable investment in transport infrastructure has already taken place in the area over a number of years. A list of the major transport improvements is shown in Appendix A.

2.2 An economic appraisal for the programme was carried out to HM Treasury Green Book requirements to secure a funding contribution from the HCA. This Green Book Appraisal was initially submitted in November 2008 and a revised appraisal submitted in September 2009 after the DCLG had asked for the appraisal to be reviewed to take account of the change in market conditions that had resulted in a severe downturn in development. This economic appraisal was subsequently approved by Government and a funding agreement was then signed between the HCA and KCC in March 2010.

2.3 With the election of the Coalition Government in May 2010 the public sector funding commitments were placed under scrutiny as part of the Government’s Comprehensive Spending Review. The result for the programme was that a £26m commitment by the DfT could no longer be guaranteed and, with the abolishment of the Regional Transport Programme funding for the A2 Bean Interchange improvement was lost. However, a £13m funding commitment from the HCA was confirmed and a revised funding agreement with the HCA was signed in March 2011.

2.4 High level discussions took place with both the DCLG and DfT through 2011/12 regarding the Government’s continued commitment to the programme. At the same time with uncertainty over
future public sector funding and with continued poor market conditions affecting developer contributions a review of the programme was instigated with the aim of: -

a) Reducing the overall cost of the programme, and
b) Investigating the potential of alternative sources of income.

2.5 The review was carried out in consultation with the partners involved in the programme and at the same time high level discussions were held with the DCLG and DFT regarding the Government’s continued commitment to the programme. As a result of the review the overall cost of the programme was reduced from an initial estimate of £200.2m to a budget cost estimate of £116.2m. This was achieved by removing a number of schemes from the programme and revising the cost of other schemes based on more recent experience of the costs of major transport infrastructure.

2.6 A joint proposition was also agreed with Government in July 2012 (see Appendix B) that outlined the Government’s on-going commitment to the programme and identified commitments on the part of the local authorities.

2.7 The results of the review of the programme were reported to KCC Cabinet on 15th October 2012 where it was agreed that: -

a.) Kent County Council would continue to act as the Accountable Body for the Kent Thameside Strategic Transport Programme.
b.) The setting up of the Governance arrangements for the Kent Thameside Strategic Transport Programme would be entrusted to the KCC Cabinet Member for Regeneration & Economic Development in consultation with Dartford & Gravesham Borough Councils.
c.) The KCC Corporate Director for Business Strategy & Support, in consultation with the KCC Corporate Director for Enterprise & Environment and the KCC Corporate Director for Finance & Procurement, would be authorised to negotiate and execute legal and/or partnership agreements pursuant to the delivery of the Kent Thameside Strategic Transport Programme.

2.8 During the review of the programme Dartford BC’s Core Strategy was formally adopted in September 2011. Policy CS16 (Transport Investment) forms the principal policy supporting the programme and the pooling of contributions from development towards its delivery. The Borough Council then proceeded to bring forward a Community Infrastructure Levy Charging Scheme which was formally adopted on 16th December 2013 and came into operation on 1st April 2014.

3. Programme

3.1 The current programme consists of the seven schemes shown in Table 3.1 below. As the programme will be delivered over a 10-15 year period conditions are expected to change and further reviews of the programme may be necessary.

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Brief Description of Works</th>
<th>Estimated Cost ((\text{\pounds}))</th>
</tr>
</thead>
<tbody>
<tr>
<td>A2 Bean Interchange</td>
<td>Enlarge and signalise A2/B255 roundabouts, widening of Bean Lane bridge and slip-roads.</td>
<td>£50.0m</td>
</tr>
<tr>
<td>A2 Ebbsfleet Interchange</td>
<td>Enlarge and signalise A2/B259 roundabouts, dualling of</td>
<td>£30.0m</td>
</tr>
</tbody>
</table>
Kent Thameside Strategic Transport Programme
Annual Progress Report 2014

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Expected Outcome</th>
<th>Cost (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A226 London Rd/St Clements Way Junction</td>
<td>Enlargement of existing roundabout with the provision of either an underpass or traffic signals or the replacement of the roundabout with a signal controlled junction.</td>
<td>£8.5m</td>
</tr>
<tr>
<td>A226 Thames Way (STDR4) Dualling</td>
<td>Upgrade of 1600m of the existing A226 Thames Way from a single to dual-carriageway to the north-west of Springhead Rd roundabout with accompanying junction improvements.</td>
<td>£8.9m</td>
</tr>
<tr>
<td>Dartford Town Centre Improvements</td>
<td>Modifications to junctions in and around the town centre, introduction of Urban Traffic Control (UTC) and traffic management systems and improvements to public transport prioritisation.</td>
<td>£4.5m</td>
</tr>
<tr>
<td>Rathmore Road Link</td>
<td>Upgrade of existing road to provide a new 2-way link road between Stone Street and Darnley Road to relieve Clive Road/Barrack Row of through traffic. Public realm enhancements around railway station</td>
<td>£9.0m</td>
</tr>
<tr>
<td>Area-wide Urban Traffic Management &amp; Control</td>
<td>Co-ordination and optimisation of signal controlled junctions, introduction of variable message signs, parking management and other intelligent transport systems.</td>
<td>£3.5m</td>
</tr>
<tr>
<td>Admin Costs (2)</td>
<td>To cover costs of a dedicated programme manager and costs associated with the administration of the Programme Investment Fund, maintenance of the Kent Thameside Transport Model and other costs that arise from time to time.</td>
<td>£1.8m</td>
</tr>
</tbody>
</table>

| Total Programme Cost                                                               | £116.2m |

Notes:
1. Estimated costs of schemes are the budget cost estimates produced for the review of the programme. These will be refined as the schemes progress.
2. Administration costs account for 1.5% of the overall programme costs.

4. Funding

4.1 Funding for the programme is to be a combination of public sector grant and private sector developer contributions. At the conclusion of the review of the programme in October 2012 the estimated cost for the programme was £116.2m and anticipated funding was estimated at £84.0m leaving a funding gap of £32.2m. The sources of funding anticipated for the programme at that time are shown in Table 4.1 below. Management of the financial risk associated with this funding gap by the County Council is to implement schemes only within the level of available funding.

<table>
<thead>
<tr>
<th>Source of Income</th>
<th>Amount (£m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>HCA Funding</td>
<td>£13.0m</td>
</tr>
<tr>
<td>Developer Contributions from S.106/CIL</td>
<td></td>
</tr>
<tr>
<td>- Residential</td>
<td>£35.9m</td>
</tr>
<tr>
<td>- Commercial</td>
<td>£5.3m</td>
</tr>
<tr>
<td>Eastern Quarry S.106 Contribution</td>
<td>£24.7m</td>
</tr>
<tr>
<td>New Homes Bonus</td>
<td>£5.1m</td>
</tr>
<tr>
<td>Total Income</td>
<td>£84.0m</td>
</tr>
</tbody>
</table>
4.2  The funding agreement with the HCA completed in March 2011 secured the £13m grant shown in Table 4.1 and this was provided to the County Council in June 2011. The Eastern Quarry development site is also a major source of the private sector developer contributions to the programme. A s106 Agreement completed in November 2007 required a £40m contribution to the programme paid over a 7-year period from the commencement of development regardless of the pace of development. In the prevailing economic conditions this obligation had become onerous and an obstacle to Land Securities attempts to secure a development partner. After lengthy negotiations, a Deed of Variation to the s106 Agreement was completed on 17th August 2012 that reduced the contribution to the programme to £24.7m, proportionate to the reduced scale of the programme, with payments on a phased basis as a tariff per dwelling paid at six monthly intervals. The full £24.7m contribution would be paid by completion of the 4,500th dwelling.

4.3  In addition to the £24.7m contribution from Eastern Quarry both Dartford and Gravesham BC’s are actively seeking contributions from other development sites. To date the developer contributions shown in Table 4.2 below have either been received or secured through agreements:

| Contributions Received within the Investment Fund | £1,862,286 |
| Contributions Received and held by the Borough Councils | £831,500 |
| Contributions Secured but not yet Received | £9,109,338 |
| **Total Received & Secured Contributions** | **£11,803,124** |

South East LEP Local Growth Fund

4.4  A bid of £4.3m for the A226 London Road/St Clements Way was submitted as one of two priority schemes in Kent for funding through the South East Local Transport Board as a result of the proposals for devolved major schemes funding announced by the Government in September 2012. Further bids for funding through the Local Growth Fund, to be administered by the South East Local Enterprise Partnership were submitted for the following local road schemes contained in the programme:

- Rathmore Road Link  £4.1m
- A226 Thames Way (STDR4) Dualling  £3.5m
- Dartford Town Centre  £2.3m

4.5  In July 2014, funding allocations through the LGF were announced and included £4.2m for London Road/St Clements Way and £4.1m for Rathmore Road Link. Work is now progressing to complete a business case for each of these schemes to secure these funding allocations. The bids for the A226 Thames Way Dualling and Dartford Town Centre were unsuccessful. However, a LGF Round 2 was announced, for which bids needed to be submitted by 6th October 2014, and the Dartford Town Centre bid has been re-submitted. A further bid for LGF funding for the A226 Thames Way
Dualling was not submitted on the basis that its scheduled implementation was likely to fall outside the timescales for the LGF Round 2.

Summary of Funding

4.6 A summary of the funding secured for the programme is shown in Table 4.3 below.

<table>
<thead>
<tr>
<th>Source of Income</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>HCA Funding</td>
<td>£13.000m</td>
</tr>
<tr>
<td>Eastern Quarry s106 Contribution</td>
<td>£24.700m</td>
</tr>
<tr>
<td>Developer Contributions</td>
<td>£2.694m</td>
</tr>
<tr>
<td></td>
<td>£9.109m</td>
</tr>
<tr>
<td>Local Growth Fund</td>
<td>£4.200m</td>
</tr>
<tr>
<td>London Road/St Clements Way</td>
<td>£4.100m</td>
</tr>
<tr>
<td>Rathmore Road Link</td>
<td></td>
</tr>
<tr>
<td>Total Funding Secured</td>
<td>£57.803m</td>
</tr>
</tbody>
</table>

4.7 The secured funding shown in Table 4.3 leaves a funding gap of around £58.4m when compared with the overall programme cost of £116.2m. However, if the current estimated budget costs for the A2 Bean and Ebbsfleet schemes (£80m) are excluded there is a surplus of around £21.6m and sufficient funding to deliver the local highway improvements contained in the programme. Not all of the funding shown in Table 4.3 has been received as development has not reached the triggers contained in the s106 agreements when payments would be made. In addition the contributions from the Eastern Quarry and Northfleet West Sub-Station development sites are to be paid as a tariff per dwelling.

4.8 Comparing the developer contributions secured (£11.8m) shown in Table 4.3 with those anticipated (£41.2m) shown in Table 4.1, there is an overall shortfall of shortfall of around £29.4m. The funding allocations secured from the Local Growth Fund (£8.3m) help to reduce this shortfall to around £21.1m. There remain some major development sites to come forward from which contributions to the programme will be sought. Within Dartford these contributions should come through the CIL Charging Scheme.

4.9 The County Council will also seek funding for the programme from alternative sources as they emerge (e.g. the LGF2 bid of £2.3m for Dartford Town Centre). It is also anticipated that an agreement will be reached with the DfT/HA regarding the funding of the A2 Bean and Ebbsfleet schemes.

5. Expenditure

5.1 Total expenditure to 31st March 2014 has amounted to £887,529. A breakdown of this expenditure is shown in Table 5.1 below. Expenditure over the 2013/14 financial year amounted to £75,699. The main expenditure over the last three years (2011/12 – 2013/14) was on the Rathmore Road Link (£487,506) amounting to 55% of the total expenditure for the programme. This expenditure has been funded from the HCA grant.
Table 5.1: Breakdown of Expenditure on Kent Thameside Strategic Transport Programme 2008/09 to 2013/14

<table>
<thead>
<tr>
<th>Expenditure 2008/09 to 2012/13</th>
<th>Total Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programmed Schemes</td>
<td></td>
</tr>
<tr>
<td>A2 Bean Interchange</td>
<td>£89,011</td>
</tr>
<tr>
<td>A226 London Rd/St Clements Way</td>
<td>£476</td>
</tr>
<tr>
<td>Dartford Town Centre</td>
<td>£3,427</td>
</tr>
<tr>
<td>Rathmore Road Link</td>
<td>£298,985</td>
</tr>
<tr>
<td>Other Schemes</td>
<td></td>
</tr>
<tr>
<td>Fastrack: Northfleet to Garrick St</td>
<td>£33,337</td>
</tr>
<tr>
<td>B262 Hall Rd Junction</td>
<td>£1,130</td>
</tr>
<tr>
<td>M25 (A282) Jnc 1A</td>
<td>£23,705</td>
</tr>
<tr>
<td>Total Scheme Expenditure</td>
<td>£34,943</td>
</tr>
<tr>
<td>Programme Administration</td>
<td>£120,085</td>
</tr>
<tr>
<td>Total Programme Expenditure</td>
<td>£155,028</td>
</tr>
<tr>
<td>Funding</td>
<td></td>
</tr>
<tr>
<td>KCC Revenue Sources</td>
<td>£155,028</td>
</tr>
<tr>
<td>HCA Grant</td>
<td>£31,658</td>
</tr>
<tr>
<td>Developer Contributions</td>
<td>£1,862,286</td>
</tr>
<tr>
<td>Total</td>
<td>£14,246,099</td>
</tr>
</tbody>
</table>
5.2 Around 27% of the total expenditure for the programme (£237,407) has been on Project Administration. In 2008/09 and 2009/10, where most of this occurred, this expenditure was principally for transport modelling and economic appraisal work undertaken to support the Green Book Appraisal of the programme. This expenditure was funded through KCC Revenue sources. The Project Admin expenditure in 2011/12 and 2012/13, amounting to £41,045, was largely related to transport modelling work that was undertaken to support the Gravesend Local Plan submission and again was largely covered by KCC Revenue sources. Project Admin expenditure that has been funded through the Programme Investment Fund (i.e. after taking into account the KCC Revenue funding) amounts to £5,571 which is less than 1% of the total scheme expenditure.

5.3 Other notable expenditure that has occurred over the last six years includes:

§ Expenditure in 2010/11 on the M25(A282) Junction 1A which covered feasibility work to identify options to reduce congestion and delays at the junction at a time when consideration was being given to its inclusion in the programme.

§ Expenditure in 2011/12 on the A2 Bean Interchange covered work related to the review of the transport assessment for Eastern Quarry that was undertaken during the negotiation of the Deed of Variation to the Eastern Quarry s106 Agreement.

5.4 Total draw-down on the Programme Investment Fund over the last six years amounts to £616,187. At the time that the HCA grant of £13m was received into Programme Investment Fund (June 2011) a further £1,162,286 of developer contributions (£638,377 from Waterstones Park and £523,909 from Bluewater Events Venue) was also added giving an initial balance of £14,162,286. A further developer contribution of £700,000 from Stone House Hospital has been received in this financial year. After taking into account the expenditure funded through the programme, as shown in Table 5.1, the balance of funds remaining is £14,246,099.

6. Progress of Schemes

6.1 Work on bringing forward schemes contained within the programme towards delivery was limited whilst the economic appraisal was carried out to secure public sector funding. There has been continued restraint on expenditure whilst uncertainty over future public sector funding remains and the economic conditions continue to impact on developer contributions. The County Council’s management of the programmes financial risk is to deliver schemes only within the level of available funding.

6.2 The receipt of the £13m grant from the HCA in June 2011 has effectively signalled the start of the programme. To date this funding has principally been used to bring forward the Rathmore Road Link scheme in Gravesend town centre. It is anticipated that the HCA funding will be utilised to support the LGF allocations and developer contributions to deliver the Rathmore Road Link scheme, improvements to Dartford Town Centre and the A226 London Road/St Clements Way Junction improvement.

A2 Bean & Ebbsfleet

6.3 In a statement to the House of Commons on 27th June 2013, the Chief Secretary to the Treasury outlined the Government’s plans for long-term investment in the infrastructure projects. Within the infrastructure identified were the A2 Bean and A2 Ebbsfleet Interchange improvements. These have been classified as Highways Agency pipeline schemes and the statement signalled the
Government’s commitment to funding these schemes subject to the finalisation of options, a satisfactory business case and agreement on the level of developer contributions. The statement in June was followed by inclusion of the two schemes in the National Infrastructure Plan 2013 that was published just prior to the Chancellor’s Autumn Statement on 5th December 2013.

6.4 The Highways Agency has since appointed Halcor Hyder as consultants to develop and bring forward the A2 Bean and Ebbsfleet schemes. As a first stage of this work a Collaborative Planning Workshop was held on 12th March 2014 and two further workshops have been convened on 24th July and 31st October.

6.5 In May 2014, the Highways Agency completed a review of the need for the improvement of the A2 Bean and A2 Ebbsfleet junctions on behalf of the Department for Transport. The DfT subsequently confirmed a budget and permission to proceed with further work to identify options for improving the junctions. This work commence in August 2014.

6.6 The Highways Agency’s current plan is to develop options and undertake stakeholder consultations leading to Public Consultation on options in the Autumn of 2015. Subject to further assessment and the preparation of a business case it is anticipated that a Preferred Scheme announcement would be made in the Summer of 2016. Further work would then follow on the preliminary design, environmental impact and statutory procedures with the aim of starting construction in 2019.

Rathmore Road Link, Gravesend

6.7 Work on the Rathmore Road Link scheme has focused on achieving planning consent. A detailed planning application was first submitted in April 2012. However, as a result of objections to the scheme the decision was taken to carry out additional transport assessment work that looked at the Rathmore Road Link scheme in isolation rather than as part of the wider Gravesend Transport Quarter Project. This also necessitated a revision of the Noise & Vibration and Ai Quality Impact Assessments.

6.8 A revised application was submitted in October 2013 and KCC’s Planning Committee considered the application on 5th November 2013. Determination of the planning application was deferred pending a site visit that took place on 20th January 2014. Following the site visit KCC Planning were formally notified on 10th February that further revisions would be made to the scheme to take on board a number of the comments and views that were expressed during the site visit. The opportunity was also taken to further review the objections to the scheme, where these could not be accommodated, provide information on the validity of the objections and the mitigation measures that have been adopted.

6.9 KCC’s Planning Committee considered the revised application on 22nd October 2014 and planning permission was granted subject to conditions. Work is now moving forward on the detailed design of the scheme, land acquisition, statutory procedures and the preparation of a business case to secure the LGF allocation. Subject to progress a start of construction is planned for late 2015/early 2016.

A226 London Road/St Clements Way

6.10 A concept design involving enlargement of the existing roundabout and the provision of a height restricted underpass for north-south traffic has previously been proposed for the
improvement of this junction. However, the viability and feasibility of this design has been called into question. Work has yet to start on the design and testing of both this concept design and alternative options which could include the enlargement of the existing roundabout with the installation of traffic signals or the replacement of the existing roundabout with a signalised junction.

6.11 The A226 London Road/St Clements Way junction improvement was submitted as one of two priority schemes in Kent for funding support through devolved major schemes funding administered by the South East Local Transport Board. An allocation of £4.2m towards the scheme was confirmed through South East LEP Local growth Fund in July 2014. Work is planned to start in early 2015 on an Options Feasibility Study with the aim of defining a Preferred Scheme. In parallel with this work will also start on the preparation of a business case to secure the £4.2m LGF allocation. A Start of Construction is currently scheduled for 2018/19 subject to progress.

Dartford Town Centre

6.12 The provision of improvements to the transport network in Dartford town centre has moved forward predominantly through negotiations with the developers of two major sites, Northern Gateway East/Mill Pond and Lowfield Street.

6.13 A s106 Agreement for the Northern Gateway East/Mill Pond development was completed in December 2012. This has secured a £1.6m contribution along with improvements to the following junctions: -

§ Hythe Street/Victoria Road/Mill Pond Road Roundabout
§ Overy Street/Mill Pond Road/Central Road/Temple Hill
§ Temple Hill/Temple Hill Square

Fastrack services will also pass through the development.

6.14 A s106 Agreement for the Lowfield Street development was also completed on 11th March 2014 which includes “In-Kind” contributions that would see: -

§ improvements to the street layout along Market Street and Lowfield Street (south of Instone Road);
§ improvements to the Lowfield Street/Instone Road junction including the provision of controlled pedestrian crossings;
§ infilling of the existing subway on Instone Road;
§ improvements along Lowfield Street including a new signal controlled access to the development;
§ improvements to the Lowfield Street/Princes Road junction; and
§ installation of Variable Message Signs to improve parking management and facilities for future provision of Urban Traffic Management & Control systems.

A contribution of up to £900,000 towards the improvement of Fastrack services in and through the town centre is also included.

6.15 More recently early discussions have taken place between the County Council and Dartford Borough Council to identify the range of measures for consideration as a part of a strategy of transport improvements to support and complement those that are to be provided by the developer. Work has also been carried out on the submission of a £2.3m bid from Round 2 of the South East LEP
Local Growth Fund. Work on the Dartford Town Centre Improvements is currently scheduled to start in 2017/18 although the developers may commence their improvements earlier.

7. **London Paramount & Ebbsfleet Garden City**

**London Paramount**

7.1 Plans for a major theme park on Swanscombe Peninsula in North Kent were announced by London Resort Company Holdings (LRCH) on 8th October 2012. In the intervening period LRCH has had discussions with the County Council, Dartford and Gravesham Borough Councils, Central Government and other key stakeholders. The County Council has consistently advised LRCH on the work that needs to be undertaken to support a planning application particularly in the areas of transport, environmental impact, employment opportunities and skills development.

7.2 On 9th May 2014, the Secretary of State for Communities & Local Government gave a direction under s35 of the Planning Act 2008 for the London Paramount project to be treated as a Nationally Significant Infrastructure Project (NSIP). This designation means that LRCH will submit an application directly to the Planning Inspectorate and, following examination, the decision to grant permission would rest with the Secretary of State.

7.3 LRCH carried out an initial round of public consultation in July 2014, principally to ascertain how the local community wished to be consulted on the proposals for the leisure resort. A second round of consultation was launched on the 5th November with the first of 12 events scheduled to take place between the 5th and 15th November. The purpose of this consultation is to provide an opportunity for the local community to find out more about the proposed leisure resort and seek the views from the local community to inform the emerging Master Plan.

7.4 The traffic generated by the leisure resort will be one of the main impacts. LRCH expects that up to 60% of this traffic will arrive by private car and proposes a direct route between the resort and the A2 together with 10,000 visitor parking spaces. For the remaining 40%, LRCH has set mode share targets of 20% by rail, 15% by coach/bus and 5% by river.

7.5 The information displayed by LRCH at its November consultation events shows a “red-line” boundary that encompasses the site for the leisure resort, a corridor for the proposed access road between the leisure resort and the A2 and the A2 junctions at Bean, Ebbsfleet and Pepperhill. It is understood that LRCH has already had discussions with the Highways Agency regarding its proposals with the aim of co-ordinating the work that they are both engaged in.

**Ebbsfleet Garden City**

7.6 The Chancellor of the Exchequer in his Budget Statement of 19th March 2014 announced the creation of an Ebbsfleet Garden City as part of a stimulus package for housing development. Further information from HM Treasury and the Department for Communities & Local Government (DCLG) expanded on the announcement referring to the development of 15,000 new homes around Ebbsfleet station and public investment of up to £200m to support this. The Government also plans to establish a Development Corporation to drive forward the Garden City.

7.7 On 11 August, DCLG launched a consultation on the Ebbsfleet Development Corporation. The purpose of the consultation was to seek views on:
the creation of the Ebbsfleet Development Corporation as a new statutory body to drive forward development at Ebbsfleet;

§ the geographical area in which the Development Corporation will operate;

§ the planning powers to be granted to the Development Corporation; and

§ the composition of the Development Corporation Board.

The consultation closed on 6th October 2014.

7.8 The proposed area for the Ebbsfleet Garden City Development Corporation does not include the A2 Bean Junction and only partially covers the A2 Ebbsfleet Junction. Other schemes within the Strategic Transport Programme that would fall within the Development Corporation area are limited to the A226 Thames Way (STD4) Dualling.

7.9 The Development Corporation would have powers to determine planning applications within its area but is unlikely to responsibility for the delivery of infrastructure. It is assumed that this would remain with the County Council for improvements to the Local Road Network and with the Highways Agency for improvements to the Strategic Road Network.

7.10 The intention of DCLG is to have the Development Corporation established in the first half of 2015. In the meantime, discussions are being held with DCLG to highlight the importance of the Strategic Transport Programme to the successful delivery of development in the Development Corporation’s area and that priority should be given to the delivery of the A2 Bean and A2 Ebbsfleet schemes, the A226 Thames Way Dualing and the A226 London Road/St Clements Way Junction improvement.

8. Outcomes

8.1 The principal aim of the Kent Thameside Strategic Transport Programme is to provide key improvements to the transport network that would enable the planned level of development to proceed whilst maintaining a transport network that functions to an acceptable level of performance. The economical appraisal for the programme submitted to secure public sector funding, therefore, focused on the level of development to be delivered rather than the normal transport benefits that are associated with transport schemes.

8.2 Information from both Dartford and Gravesham Borough Councils regarding the housing and commercial development completions over the period 2009/10 to 2013/14 are shown in Table 8.1 below.

<p>| Table 8.1: Housing and Commercial Development Completions 2009/10 to 2013/14 |
|-----------------|-----|-----|-----|-----|-----|-----|
|                 | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | Total |
| Dartford        |        |        |        |        |        |       |
| Housing         | 151     | 362     | 322     | 422     | 602     | 1859    |
| Commercial      | n/a     | n/a     | n/a     | n/a     | 3,425m² | 3,425m² |
| (A Use Classes) |        |        |        |        |        |        |
| Commercial      | 8,205m² | 5,514m² | Nil     | Nil     | 12,488m² | 26,207m² |
| (B Use Classes) |        |        |        |        |        |        |
| Gravesham       |        |        |        |        |        |       |
| Housing         | -2,537m²| -5m²    | -1,103m²| n/a     | -641m²  | -4,286m²|
| Commercial      |        |        |        |        |        |        |</p>
<table>
<thead>
<tr>
<th>(A Use Classes)</th>
<th>Commercial (B Use Classes)</th>
<th>Commercial (D2)</th>
<th>Total Housing Completions</th>
<th>Total Commercial Floorspace</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>172m²</td>
<td>742m²</td>
<td>3,278m²</td>
<td>7,325m²</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td></td>
<td>n/a</td>
<td>6,708m²</td>
</tr>
<tr>
<td></td>
<td>-2,298m²</td>
<td></td>
<td>2,213m²</td>
<td>2,213m²</td>
</tr>
<tr>
<td></td>
<td>1,894m²</td>
<td></td>
<td>n/a</td>
<td>17,482m²</td>
</tr>
</tbody>
</table>

9. **Governance**

9.1 Steps have been taken, in consultation with the key stakeholders involved in the programme, to establish formal governance arrangements. The key stakeholders currently include Dartford Borough Council, the Department for Transport, the Highways Agency, the Homes & Communities Agency, Gravesham Borough Council and Kent County Council.

9.2 KCC’s Cabinet confirmed on 15th October 2012 that the County Council would continue to act as the Accountable Body for the programme.

9.3 A funding agreement was completed with the HCA in March 2010 and revised in March 2011 securing a £13m grant towards the programme that was received in June 2011. A Partnership Agreement between DBC/GBC/KCC is in draft form awaiting completion between the local authorities.

9.4 A dedicated account has already been established within KCC’s corporate financial system (the Programme Investment Fund) solely for the use of the programme.

9.5 Terms of Reference for a Steering Group were agreed in September 2013 and the first meeting of the Steering Group took place on 2nd December 2013. Further meeting of the Steering Group have taken place on 3rd April 2014 and 31st July 2014.

9.6 The role of Programme Manager is being provided by an officer from Kent County Council but it is intended to appoint a dedicated programme manager within the next year.

9.7 Kent Highway Services is acting as the Delivery Agent for the Rathmore Road Link. The Highways Agency is acting as the Delivery Agent for the A2 Bean and A2 Ebbsfleet improvements.

10. **Background Documents**

10.1 The following background documents provide further information regarding the progress of the programme, how it has developed and the supporting policy framework:

- Key Decision 07/01108; Kent County Council, 21st February 2008.
- Kent Thameside: Development of the Transport Strategy (Technical Summary); Jacobs, October 2008.
- Kent Thameside Strategic Transport Programme Economic Appraisal; BBP
Regeneration, November 2008.

Kent Thameside Strategic Transport Programme Economic Appraisal; BBP Regeneration, September 2009.

Dartford Core Strategy (Adopted); Dartford Borough Council, September 2011.

Key Decision 12/01953; Kent County Council, 15th October 2012

National Infrastructure Plan 2013, HM Treasury, December 2013

Dartford Community Infrastructure Levy - Charging Schedule, April 2014

Gravesham Local Plan Core Strategy (Adoption Version), September 2014

KCC Planning Committee, 22nd October 2014 – Item D1; Proposal GR/12/0441 (KCC/GR/0148/2012) - Realignment and widening of Rathmore Road, Gravesend

11. Contacts

11.1 For further information regarding the Kent Thameside Strategic Transport Programme please contact:

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Economic Development Officer

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Business Strategy & Support
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Kent ME14 1XX

tel: 03000 - 417062
e-mail: stephen.dukes@kent.gov.uk
Transport Improvements Completed

§ Construction of the Channel Tunnel Rail Link (High Speed 1)
§ Ebbsfleet International and Domestic Stations
§ A2 Widening Phase 1 (Bean to Pepperhill) and Phase 2 (Pepperhill to Cobham)
§ A2/A282 Interchange
§ A206 Crossways Boulevard (South Thameside Development Route – Phase 1)
§ A206 Bob Dunn Way (Dartford Northern Bypass)
§ A226 Thames Way (South Thameside Development Route – Phase 4)
§ Denton Relief Road
§ Fastrack Route A (Dartford to Ebbsfleet Station via The Bridge, Greenhithe and Bluewater). Operating since June 2007.
§ Fastrack Route B (Dartford to Gravesend via Darenth Valley Hospital, Bluewater, Greenhithe and Ebbsfleet Station). Operating since March 2006.
§ M25 Junctions 2-3 Widening.
§ Introduction of High Speed Domestic Services between Gravesend/Ebbsfleet and London St Pancras.
§ A2 Pepperhill Junction Improvement
§ Dartford Station
Dear Councillor Carter

KENT THAMESIDE DEVELOPMENT - UNLOCKING EASTERN QUARRY

We are writing to set out our Department's proposals to unlock the proposed development at the Eastern Quarry site in Kent Thameside.

Our officials have been working closely together both to get a clear understanding of the issues and barriers to progress with this development site, and to try and reach agreement on a way forward that unlocks delivery of new housing in the short term and provide a continuing commitment to the longer term delivery of the development proposals.

We understand that the Dartford Borough Council Development Control Committee is to shortly consider agreement to the varied section 106 planning agreement for the Eastern Quarry site with Land Securities, and want to set our proposals for Government support in progressing and managing the provision of the necessary transport infrastructure improvements to support the development proposals.

This Government has recognised the importance of infrastructure in supporting housing provision and that infrastructure support and prioritisation is a key concern for communities, local authorities and the private sector. Investment in infrastructure that unlocks growth is essential to winning the confidence of communities and the private sector for large-scale, long-term projects.

In terms of the specific transport proposals in the Homes and Roads Programme, which underpins the Kent Thameside development plans, two major improvements to the junctions on the A2 at Ebbsfleet and Bean are necessary to mitigate the overall cumulative traffic impacts of the Kent Thameside development.

17 July 2012
However, the identified delivery timing of these proposals in 2021-22 to 2023-24 and 2024-25 to 2026-27 respectively, are such that they fall within future spending review periods, and we cannot take such delivery funding decisions within this spending review period.

Both our Departments however recognise the need to unlock the housing development at Eastern Quarry and are, in these circumstances, proposing to invest further in the necessary development work on the two major junction improvements, and continue to provide support, help and guidance to the local authorities on both the further development of the proposals, and the on-going management of the supporting transport investment programme.

In doing so, our Departments clearly recognise the importance of economic and housing growth in Kent Thameside and recognises that approval of the varied section 106 planning agreement for the Eastern Quarry development will unlock around 4,500 new homes and around 95,000 m² of commercial development.

We also understand that you seek assurances from Government on its continuing support for the development in Kent Thameside. We have therefore set out in an attachment to this letter our detailed proposals for both investment now in the development of the major infrastructure projects but also the continuing involvement and support in the management and delivery of the supporting transport infrastructure programme.

I hope these proposals demonstrate our clear commitment to working closely with you and your partners towards the successful delivery of housing and economic growth. In return for these commitments, we look to agreement to the variation to the existing planning agreements for Eastern Quarry that will allow the planned development to take place.

It is important that we can reach agreement on the way forward, and I would be grateful if you could consider the details of this proposition, and let us or our officials know of decisions in this matter.

If it is possible to reach agreement we would look to make a public announcement that would confirm that a way forward has been found, and that delivery of the new housing will take place as planned. We are more than willing to discuss if necessary, any concerns you may still have in order to reach a final resolution to these long-standing issues.

Yours sincerely,

MIKE PENNING     GRANT SHAPPS

November 2014
Department for Transport and Department for Communities and Local Government Proposal

- The Department for Communities and Local Government, and the Department for Transport issues a statement that supports and welcomes economic growth and housing delivery in Kent Thameside. The Departments also accept that by approving the Deed of Variation for Eastern Quarry that in effect 4,500 homes and around 95,000m$^2$ of commercial development are unlocked in Kent Thameside.

- The Department for Transport and the Highways Agency commit to close joint-working with the Kent Partners to determine and agree the details of the scope and timing of the work necessary to refresh the business cases/preliminary designs of the proposed major project improvements to the junctions on the A2 at Bean and at Ebbsfleet.

- The Department for Transport and the Highways Agency will invest in further work to refresh the business case/preliminary designs of the A2 Bean and Ebbsfleet junction improvements, as part of the development necessary for future delivery of the proposals.

- The Department for Transport and the Highways Agency commit to joint-working with the Kent Partners on the development of the appropriate transport interventions on the strategic road network necessary to mitigate the impacts of the planned development in Kent Thameside, and in assessing the case for such proposals, would give due weight to the wider economic benefits afforded by these improvements.

- The Department for Transport commit to joint-working with the Kent Partners to provide assistance and guidance where necessary on the development of transport interventions on the local road network, and guidance on the necessary appraisal requirements for such proposals.

- The Department for Transport and the Highways Agency will discuss and agree with Kent Partners their role and participation in the future governance and management arrangements for the Homes and Roads programme.

- In terms of future Kent Thameside related planning applications, the Highways Agency commits to continue to carry out its development planning function in accordance with Government planning policy and guidance current at the time.

- The Department for Communities and Local Government, the Department for Transport and the Homes and Communities Agency will maintain a close dialogue with Kent and Partners to provide advice and input on progressing specific transport schemes and highlighting the opportunities arising from new Government policy and incentives (such as business rates retention) as these emerge or are clarified.

- The Homes and Communities Agency will remain a member of the Homes and Roads Steering Group.

- The Homes and Communities Agency will explore future funding opportunities to support later phases of the Kent Thameside development.

- The Homes and Communities Agency has already invested £13m in the Homes and Roads Programme and is committed to work with all parties to identify what appropriate funding initiatives are available from time to time, and give guidance and act in its enabling role as a broker.
In return for these commitments, the Departments’ expect that:

- **Dartford & Gravesesham Borough Councils** will ensure developer contributions are provided towards the Homes and Roads Programme through s106 agreement, and in due course Community Infrastructure Levy (CIL) mechanisms;

- **Dartford Borough Council, Gravesesham Borough Council and Kent County Council** will each contribute a proportion of their New Homes Bonus income towards the Homes and Roads Programme for as long as New Homes Bonus can be legally collected and used in this manner;

- **Land Securities** and its partners commit to a timescale for delivering their first homes by 2013 with a total of 1,500 homes by 2020; and to contribute £24.7m towards the Homes and Roads Programme through the completion in total of 4,500 homes at Eastern Quarry.

- **Kent County Council, Dartford Borough Council, Land Securities Eastern Quarry Limited and Coutts and Co** will sign the Deed of Variation to the S106 Agreement for Eastern Quarry which would change the terms of the original S106 Agreement in the following respects:
  i) Transport contribution reduced from £40m to £24.7m;
  ii) Payment schedule changed from 7 year plan commencing when development starts, to payment spread over the first 4,500 homes, pro rata with completions;
  iii) First five years payments at a discount rate, with the discount recovered through the remaining payments.

- Regarding the management and delivery of the Homes and Roads Programme **Kent County Council** will act as accountable body, accepting and managing significant risk in the Programme, including scheme cost inflation and project over-runs but only for solutions that total the amount forecast to be collected from S106 and CIL i.e. £65.9m (£94.5m at inflated prices).

- The programme covering improvements to the local road network would be agreed between **Kent County Council, Dartford Borough Council and Gravesesham Borough Council**. Details of the improvements to the Strategic Road Network included in the Homes and Roads programme would be additionally agreed by the **Department for Transport** and the **Highways Agency**, and their delivery would be subject to the development of a robust business case and consideration of delivery funding availability. If further monies are required **Kent partners** and the **Department for Transport** are committed to identifying possible alternative funding streams.