



**SURREY COUNTY COUNCIL'S
LOCAL COMMITTEE
IN EPSOM AND EWELL**

KILN LANE LINK

24th JANUARY 2005

KEY ISSUE:

To provide an update on the progress of the Kiln Lane Link, in particular in respect of the Local Transport Plan Capital Settlement for 2005/06.

SUMMARY:

The Kiln Lane Link is a Local Transport Plan (LTP) major scheme, which was provisionally accepted by Government for funding in December 2001, subject to the successful completion of the Statutory Procedures and approval by Ministers.

This report outlines the progress made to date and the impact on the Kiln Lane Link scheme of both the Government changes in major scheme assessment and the recent Local Transport Plan Capital Settlement for 2005/06.

OFFICER RECOMMENDATIONS:

In light of the Government changes in major scheme assessment and the Local Transport Plan Capital Settlement for 2005/06 the Committee is asked to:

- (i) Note the contents of this report and the potential impact on the Kiln Lane Link scheme.

1.0 INTRODUCTION AND BACKGROUND

- 1.1 The Kiln Lane Link is a proposed road crossing under the Epsom to Waterloo railway line linking the A24 East Street with Longmead Road. The purpose of the scheme is to improve local accessibility by removing the barrier the railway causes to east-west movement and to provide a link between residential communities and local facilities for all modes of transport.
- 1.2 The scheme received 'Provisional Funding' acceptance from Government in December 2001, subject to the satisfactory completion of the Statutory Procedures.
- 1.3 Since that time significant progress has been made on developing this scheme. Central Government, however, has recently announced proposed changes in the way that funding might be provided for local authority major highway schemes, which, coupled with the Government's 2004 Spending Review, impacts on the progress of the Kiln Lane Link scheme.
- 1.4 The purpose of this report is to update the Committee on the recent progress on this scheme and to outline the impact of the recent Local Transport Plan Capital Settlement for 2005/06 on the Kiln Lane Link.

2.0 UPDATE ON SCHEME PROGRESS

- 2.1 The layout of the proposed scheme was approved by the Committee at its meeting on 12 July 2004 following a major public consultation at which the scheme received strong public support.
- 2.2 Since this time extensive work has been undertaken to provide information to support a planning application for the scheme. This information has included more updated noise and air quality assessments along with additional tree and habitat surveys in a number of areas including the land to the rear of Dagenham Motors.
- 2.3 In addition, work has also been undertaken on landscaping proposals for the scheme and measures to reduce potential crime and disorder, such as graffiti, along the route.
- 2.4 The Planning Application was originally planned to be submitted by August 2004. Following the public consultation and development of the Compulsory Purchase and Side Road Orders, however, issues were raised by some of the key businesses whose land is affected by the scheme, including the Nonsuch Industrial Estate and Dagenham Motors. Detailed discussions are being undertaken with these businesses, and the planning application delayed, to endeavour to agree minor changes to the scheme layout and to seek to avoid potential objections to the planning application and legal orders.
- 2.5 In addition the County Council's planning Officers also required an approval in principle that land to the rear of Dagenham Motors would be available in exchange for the land taken at the front of Dagenham Motors and that this be in place prior to submitting the Planning Application. This approval in principle was obtained from Epsom and Ewell Borough Council's Strategy and Resources Committee at its meeting on 23 November 2004 as owners of this land.

3.0 MAJOR SCHEME ASSESSMENT CHANGES AND 2004 SPENDING REVIEW

- 3.1 In December 2004 the Department for Transport announced a three-year allocation of capital funds to the South East Region for transport schemes of local and regional importance. This included local authority major schemes and major Highways Agency schemes of regional, rather than national, significance. This allocation also took account of the Government's July 2004 Spending Review.
- 3.2 In December the Government also announced a proposed change in the prioritisation of major road schemes and its intention to publish indicative budgets for a period longer than three years of a Spending Review. The proposals involve a devolved decision-making process on regional funding allocations with the intention that those major schemes, which have not been funded within the announced three-year allocation, would be considered in the context of regional and sub-regional strategies. It is intended that regional institutions, having taken into account the views of regional stakeholders and delivery agents, including local authorities, would advise the Secretary of State on the priority of such schemes. These proposals are subject to a consultation exercise, which currently has a March 2005 deadline, and whilst the consultation is not prescriptive, it is likely that a Regional Transport Board (RTB) would undertake the prioritisation exercise.

4.0 DECEMBER 2004 SETTLEMENT LETTER FROM GOVERNMENT

- 4.1 In July each year the County Council submits an Annual Progress Report (APR) on its Local Transport Plan (LTP) to Government. This document reports on progress made on schemes against set targets and is also used to bid for funding for each year. Government announces its assessment of the APR in a settlement letter issued in December each year. The settlement letter issued to the County Council by the Government on 2 December 2004 stated that:

“As part of the Spending Review 2004 and bearing in mind the Government's desire for greater regional involvement in prioritisation, Ministers have been reviewing the relative priority of major local transport schemes. While recognising the merits of the Kiln Lane scheme, and the reasons why it was given provisional approval, they (Ministers) have decided that it does not represent an immediate priority for funding within the available resources”.

“The Government announced its intention in "The Future of Transport" to publish indicative guideline budgets for the English regions for a longer period than the three years of a Spending Review. This will enable regional and local stakeholders to help the government to shape an integrated programme which links transport, housing and regeneration.

The timing of the Kiln Lane Link scheme will be considered in the context of those discussions. It will need to be considered alongside new proposals for investment, including those being prepared as part of the next round of local transport plans.”

- 4.2 This infers that, although the Kiln Lane Link remains in the “provisionally approved” category, it is to be delayed until an assessment is made in the regional and sub-regional context, and alongside new proposals, which will emerge in the next round of LTP’s, to allow decisions on timing and priority to be taken. If the scheme passes this assessment it is currently understood that funding would not be available until the next three-year allocation of capital funds.
- 4.3 It should be noted that as a result of these changes a number of schemes across the United Kingdom, including Highway Agency schemes, have also been delayed and are to subject to assessment in a regional context.
- 4.4 It is also understood that the assessment would consider value for money criteria. The Kiln Lane Link was provisionally accepted in December 2001 at a cost of £8.74 million. However, following additional design development and a larger contingency, now required by Government, additional costs were identified and reported in the 2004 APR at £17.503 million. Discussions were held with Government on this issue who requested that a detailed economic reassessment should be undertaken. This reassessment showed that, even at a higher cost, the project delivers greater economic benefits than originally predicted and has a higher cost benefit ratio.
- 4.5 A meeting is currently being arranged with Government to seek further clarification on the implications of the December 2004 settlement letter along with timescales for the assessment by the regional institutions. The County Council will also take the opportunity at this meeting to re-iterate the importance and benefits of the Kiln Lane Link scheme.

5.0 POTENTIAL IMPACT ON THE KILN LANE LINK PROJECT

- 5.1 A detailed assessment is currently being undertaken on the impacts of the 2004 settlement letter on the Kiln Lane Link scheme. The key issues identified to date are outlined in this section of the report.

Impact on Funding and Progression of the scheme

- 5.2 There is a potential scenario whereby the regional assessment of the Kiln Lane Link is not positive and that Government funding would not be available. As such it is proposed that further work on the scheme should be suspended beyond 31 March 2005 until the outcome of this assessment is known. In order to allow the scheme to be accelerated, should this assessment be positive, it is proposed to complete the preparatory work on the Planning Application and Legal Orders by this date but that these are not formally submitted. In addition it is proposed to complete the ongoing discussions with potentially affected businesses.
- 5.3 A detailed assessment is also being undertaken on the implications of the utilisation of development-related funding for this scheme, which is time limited.

Impact on the Programme

- 5.4 The letter states that Government recognise the merits of the Kiln Lane Link and the reasons why it was given provisional approval but have decided that it does not represent an immediate priority for funding over the next three years.
- 5.5 Prior to the receipt of the 2004 settlement letter it was planned that full funding for the scheme would be requested in 2006. However, the letter infers that funding would not be available until 2008/09 dependent upon the regional assessment. It is not known when the regional institutions would undertake this assessment.
- 5.6 In addition the outcome of the consultation on Government's proposed devolved decision-making process might also have an impact on the programme and development of this scheme.
- 5.7 As stated in paragraph 5.5, it is not known when the assessment is to be made by the regional institutions. A possible revised indicative programme is shown below on the assumption that this assessment takes place in the Summer, to allow an announcement to be made in the December 2005 settlement letter. These dates could obviously slip further if the assessment by the regional institutions is delayed beyond these dates. In addition these dates are also dependent upon satisfactory completion of the Statutory Procedures.

Assumed date of regional institutions assessment	Summer 2005
Assumed date of decision by Ministers	December 2005
Submit Planning Application	January 2006
Planning Decision by Surrey County Council	April 2006
Publication of Statutory Orders (CPO/SRO)	May 2006
Public Inquiry (If required)	December 2006
Result of Public Inquiry	December 2007
Earliest assumed date of funding availability	April 2008
Start Construction	May 2008
Complete Construction	August 2009

5.8 Impact on the Freight Quality Partnership and Associated Wider Measures

- 5.9 Two additional projects funded through the Epsom and Ewell Local Transportation Service LTP programme are related to the Kiln Lane Link. These are the Freight Quality Partnership (FQP) and Wider Associated Traffic Management Measures.
- 5.10 The FQP is considering improved management of heavy goods vehicles associated with the Longmead and Nonsuch Business Parks on both the existing highway network and with the Kiln Lane Link in place. Work is able to continue on the elements of the FQP that are not dependent upon the Kiln Lane Link. This is currently focussed on improved road signing and a delivery vehicle route map.

5.11 It is proposed that work continues on the wider measures to produce details of the type and location of supporting traffic management measures that may be required, taking into account the issues highlighted in the public consultation. The development and implementation of some of these measures, however, will be dependent upon the outcome of the regional assessment of the Kiln Lane Link.

6.0 SUSTAINABLE DEVELOPMENT, ENVIRONMENTAL AND ECONOMIC IMPLICATIONS

6.1 None for the purposes of this report.

Report by: Martyn Williams, Local Transportation Director

**LEAD/CONTACT OFFICER: David Stempfer, Principal Engineer
Transport Studies & Project Development**

TELEPHONE NUMBER: 020 8541 7299
