

A47/A11 Thickthorn Junction
Scheme Number TR010037

Volume 4
4.2 Funding Statement

APFP Regulation 5(2)(h)
Planning Act 2008
Infrastructure Planning (Applications: Prescribed
Forms and Procedure) Regulations 2009

March 2021

Infrastructure Planning

Planning Act 2008

**The Infrastructure Planning
(Applications: Prescribed Forms and
Procedure) Regulations 2009**

The A47/A11 Thickthorn Junction
Development Consent Order 202[x]

FUNDING STATEMENT

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Author:	A47/A11 Thickthorn Junction Project Team, Highways England

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FUNDING STATEMENT

Signed 

Stephen Hedley

Project Manager

on behalf of Highways England

Date: March 2021

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1 INTRODUCTION

1.1 Purpose of document

- 1.1.1 This Funding Statement (this Statement) relates to an application made by Highways England (the Applicant) to the Secretary of State for Transport via the Planning Inspectorate (the Inspectorate) under the Planning Act 2008 (the PA 2008) for a Development Consent Order (DCO). If made, the DCO would grant consent for the A47/A11 Thickthorn Junction (the Scheme). A detailed description of the Scheme can be found in Chapter 2: The Scheme of the Environmental Statement (ES) (**TR010037/APP/6.1**)
- 1.1.2 The purpose of this Statement is to demonstrate that the Scheme will be adequately funded through the Road Investment Strategy (RIS), using the change control processes set out in Part 6 of the Highways England Licence (See Appendix A of this Statement) if required, and therefore that funding is no impediment to the delivery of the Scheme or the payment of compensation to persons affected by compulsory acquisition, temporary possession, or a blight claim.
- 1.1.3 This Statement has been prepared and submitted in compliance with Regulation 5(2)(h) of the Infrastructure Planning (Applications: Prescribed Forms and Procedure) Regulations 2009 (the 2009 Regulations) and in accordance with the Department for Communities and Local Government guidance 'Planning Act 2008: Guidance related to procedures for compulsory acquisition' (September 2013).
- 1.1.4 This Statement is required as part of the DCO in respect of the authorisation of the compulsory acquisition of land, interests in land or rights over land, and temporary possession of land. Regulation 5(2)(h) requires a statement indicating how the implementation of these powers in the DCO would be funded.
- 1.1.5 As this Statement forms part of the application documentation it should be read alongside, and is informed by, the other application documents; in particular, the Statement of Reasons (**TR010037/APP/4.1**), which is also included in the application to comply with the requirements of Regulation 5(2)(h).

2 CAPITAL EXPENDITURE

2.1 Capital Cost

- 2.1.1 The Scheme has a most-likely estimate cost of £91.2 million, including allowances for risk and inflation at the date of application. This estimate includes all costs to deliver the Scheme from Options stages through to the opening for traffic. It includes an allowance for compensation payments relating to the compulsory acquisition of land interests in, and rights over, land and the temporary possession and use of land. It also takes into account potential claims under Part 1 of the Land Compensation Act 1973, Section 10 of the Compulsory Purchase Act 1965 and Section 152(3) of the 2008 Act.
- 2.1.2 The estimates for these items have been informed by land referencing activities, engagement of professional surveyors, and information received from consultation and engagement with parties having an interest in the land.
- 2.1.3 The Applicant has been, and will continue to be, responsible for all preparation costs associated with the Scheme. These may include items such as design costs, legal costs, land acquisition costs, advance payments to statutory undertakers and surveying costs.
- 2.1.4 The estimate has been prepared in accordance with the Applicant's procedures and, in combination with the approved budget, provides sufficient cost certainty to enable the Applicant to confirm the viability of the Scheme.

3 SOURCES OF FUNDING

- 3.1.1 Highways England is a government owned company and is responsible for operating, maintaining and improving the strategic road network in England. These responsibilities include the acquisition, management and disposal of land and property in relation to strategic road network improvement projects, together with the payment of compensation related to these activities. Highways England is responsible for delivering the major projects in the RIS.
- 3.1.2 The Government published the first RIS (RIS1) on 1 December 2014, which is underpinned by legislation following the Infrastructure Bill receiving Royal Assent on 12 February 2015 and the creation of Highways England on 1 April 2015. RIS1 provided certainty of Government funding with over £15 billion to be invested in major roads between 2015/16 and 2020/21. The Scheme was first announced in RIS1 as a committed and therefore funded Scheme (see Appendix B of this Statement).
- 3.1.3 The funding commitment was reiterated in the Highways England Delivery Plan 2015 - 2020 which was published in March 2015 and subsequent delivery plans. These are provided at Appendix C of this Statement.
- 3.1.4 On 11 March 2020, the Government published its second Road Investment Strategy for the period 2020-2025 (RIS2). RIS2 commits the Government to spending £27.4 billion to both build new road capacity and improve the quality and reduce the negative impacts of the existing Strategic Road Network. Part 3: The Investment Plan sets out the Government's expenditure priorities which confirms the ongoing commitment to the Scheme (an extract is provided at Appendix D of this Statement).
- 3.1.5 The funding commitment was reiterated in the Highways England Delivery plan 2020 – 2025 which was published in August 2021. An extract is provided at Appendix E of this Statement.
- 3.1.6 The Government and Highways England commitments set out above demonstrate that the Scheme will be fully funded by the Department for Transport and consequently the Scheme is not dependant on funding contributions from other parties.

4 BLIGHT

- 4.1.1 The term 'blight' refers to the reduction of economic activity or property values in a particular area resulting from possible future development, or restriction of development. Blight notices may be served on the Applicant by those with a qualifying interest in affected land.
- 4.1.2 To date no blight notices have been served in respect of the Scheme.
- 4.1.3 Should any future claims for blight arise as a consequence of the proposed compulsory acquisition of land, or rights in land, affected by the Scheme, the costs of meeting any valid claim will be met by the Applicant.

APPENDIX A

Highways England Licence Extract – Part 6

Part 6 - Setting and varying the Road Investment Strategy

Varying the Road Investment Strategy

6.28 The Secretary of State is able to vary a RIS once it has been agreed, and the Licence holder may also request a change to the RIS.

6.29 Small-scale changes to the RIS, beyond minor refinements that are within the Licence holder's discretion, will be handled through a formal change control process. Major variations, which would affect the Licence holder's overall funding, have a material effect on the integrity of the RIS or otherwise compromise the Licence holder's ability to comply with the RIS, would require the RIS to be re-opened.

6.30 In considering or proposing any variation of a RIS, the Secretary of State and the Licence holder **must** have due regard to the desirability of maintaining certainty and stability in respect of the existing RIS.

Change control

6.31 Small-scale changes to the RIS, which do not have a bearing on the overall funding envelope and do not materially affect the integrity of the RIS (including small-scale additions to the RIS, as at 6.32), will be subject to a formal change control process, as described at 6.32 – 6.36.

6.32 In the event that the Secretary of State considers that a small-scale change to the detail of an objective set out in the RIS may be necessary (for example, a change to the way in which a particular objective is measured, or a change to the nature of a project identified in the RIS Investment Plan), he will notify the Licence holder, the Highways Monitor and Transport Focus. Where the Secretary of State is seeking additions beyond the current RIS, such as additional schemes or further metrics or indicators, the Secretary of State will consider making a proportionate increase in the funding made available by government to the Licence holder to deliver these, along with the existing RIS requirements.

6.33 In the event that the Licence holder requests a small-scale change to the RIS, or identifies that a specific project in the RIS Investment Plan may need to be replaced (due to a deterioration in the business case or difficulties in obtaining relevant consents) the Licence holder **must** provide sufficiently detailed proposals and supporting evidence to allow the Secretary of State to make an informed decision.

6.34 The Secretary of State will consider the viability and desirability of any request by the Licence holder under 6.33, seeking advice from the Highways Monitor, where appropriate, and will respond to the Licence holder within three months with a decision about whether or not to proceed with a change.

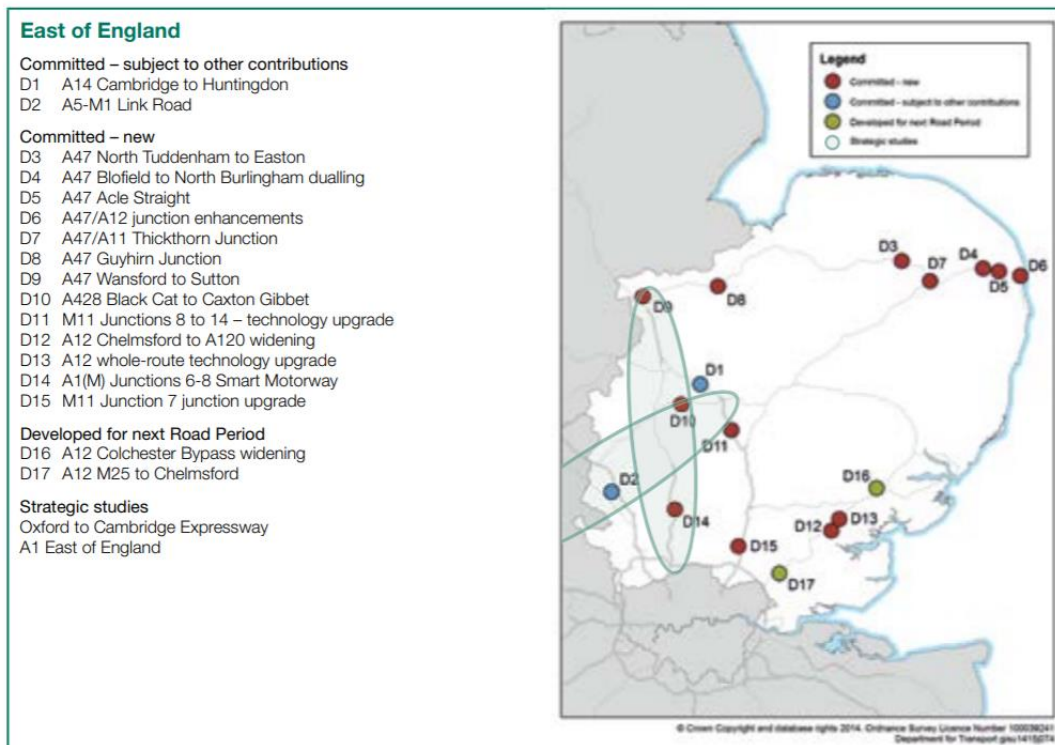
6.35 Following a notification under 6.32, or a response to the Licence holder by the Secretary of State under 6.34, the Secretary of State will begin discussions with the Licence holder and the Highways Monitor to agree the change, including any proportionate increase in the funding as described at 6.32. Once agreed, the Secretary of State will publish details of the change.

6.36 In the event that, under the circumstances described at 6.35, the Secretary of State and the Licence holder fail to reach a mutually agreed position, having sought advice from the Highways Monitor, the Secretary of State retains the right to make a final determination.

APPENDIX B

Road Investment Strategy –Overview Extract (page 36-37):

“Further dualling around Norwich, to the east between Blofield and North Burlingham, and to the west to link the Norwich and Dereham bypasses. This will mean thirty miles of continuous dual carriageway around Norwich. The Company will work with Norfolk County Council to consider improvements to the Thickthorn junctions with the A11 to aid growth in Norwich”



APPENDIX C

Highways England Delivery Plan 2015-2020 Extract (bullet point 4 pg25.):

“A47/A12 Corridor – a package of six schemes across a 115 mile section of the A47 between Peterborough and Great Yarmouth. This will include converting almost eight miles of single carriageway to dual carriageway and making improvements to three junctions, relieving congestion and increasing journey time reliability”

Highways England Delivery Plan 2015-2020 Extract (pg68.):

“Schemes identified following the outcomes from the six feasibility studies”

“A47/A11 Thickthorn Junction”

APPENDIX D

RIS2 Extract (Part 3 Investment Plan, pg. 101):

“A47 Thickthorn Junction – improvement of the interchange between the A47 and A11, improving access into Norwich.”

APPENDIX E

Highways England Deliver Plan Extract 2020-2025 (paragraph 4 pg. 34)

“Our schemes in the east will improve safety, increase capacity and reduce congestion. We will, for example, deliver six enhancement schemes focused on these outcomes across the length of the A47. We will improve the junction linking A47 and A141 (Guyhirn junction) and the interchange between A47 and A11 (Thickthorn junction).”