

EXECUTIVE

20th April 2023

Report Title	A43 Northampton – Kettering Improvements Phase 3
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Lead Member	Councillor Graham Lawman, Executive Member for Highways, Travel & Assets

Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972	

List of Appendices

Appendix A – Map/Location Plan

Appendix B – Memorandum of Understanding

1. Purpose of Report

- 1.1. To update Executive on the progress to date with the A43 Northampton – Kettering Improvements Phase 3 and agree joint working agreements with West Northamptonshire Council for the delivery of this cross-border major highway scheme.

2. Executive Summary

- 2.1. Following on from initial phases of improvement at the Northampton end of the route, it is proposed to progress Phase 3 by extending the dualling from the Overstone Gate roundabout to the Holcot/Sywell roundabout. This will tackle existing congestion at the Holcot/Sywell roundabout and also provide additional capacity for the planned Overstone Grange development.

- 2.2. The scheme forms part of the Department for Transport's Major Road Network programme. A Strategic Outline Business Case was submitted in May 2022, and an Outline Business Case is currently being prepared.
- 2.3. Because the scheme crosses the boundary between North Northamptonshire and West Northamptonshire, arrangements for joint working are necessary between the two Councils and draft Heads of Terms for the proposed Memorandum of Understanding are included as **Appendix B**.
- 2.4. Subject to completion of the various processes, it is currently forecast that construction would begin in February 2026, with completion in April 2027.

3. Recommendations

- 3.1. It is recommended that the Executive:
 - a) Notes the progress made to date in undertaking improvements to the A43 between Northampton and Kettering.
 - b) Agree delegated authority to the Executive Member for Highways, Travel & Assets, in consultation with the Executive Director for Place & Economy and the Director of Legal & Democratic, to sign a Memorandum of Understanding and any other associated legal documents with West Northamptonshire Council for joint working on this scheme.
- 3.2. Reason for Recommendations – Unlike the other options considered, the proposed option ensures that the two Councils share the governance of the scheme and a fair distribution of the costs of developing this cross-border highway scheme.
- 3.3. Alternative Options Considered:
 - For one Council to construct the project completely at its cost.
 - For each Council to construct its section of the road separately.
 - To construct the road only in one Council's area.
 - To progress improvements to the Holcot/Sywell roundabout only.
 - To not progress the scheme at all.

None of these options is recommended. The reasons are explained below.

4. A43 Northampton – Kettering Improvements

- 4.1. As local highway and transport authority, the Council is responsible for progressing any improvement schemes it wishes to see on its road network. Prior to the formation of the new Council in April 2021, that responsibility lay with the former Northamptonshire County Council.

- 4.2. One of the County Council's priorities for major highway improvements, was the A43 corridor between the A45 at Northampton and the A14 at Kettering. Owing to the size of the scheme and the levels of available funding, the County Council decided to tackle the scheme in phases. Journey time surveys showed that congestion on the corridor was concentrated at the Northampton end of the route, with similar levels of delay being encountered in both directions in both peak periods.
- 4.3. The following phases of the A43 Northampton to Kettering Improvements scheme, all located within West Northamptonshire, have been delivered to date:
- Phase 1a – additional lanes at the Round Spinney roundabout, completed in 2015.
 - Phase 1b – a dual-carriageway Moulton Bypass, completed in June 2020.
 - Phase 2 – dualling from the north end of the Moulton Bypass to a new roundabout at the entrance to the Overstone Gate roundabout, completed in early 2018.
- 4.4. Phase 3 of the scheme will extend the dualling northwards from the end of Phase 2 at Overstone Gate through to the Holcot/Sywell roundabout and cross the border between West Northamptonshire and North Northamptonshire. It will relieve traffic congestion at the Holcot/Sywell roundabout (in North Northamptonshire), which is increasingly becoming a bottle-neck as constraints further south are removed; and provide additional highway capacity to accommodate the traffic impacts of the Overstone Grange development, for which a planning application is currently being considered by West Northamptonshire Council.
- 4.5. The location of these phases is shown in **Appendix A**.
- 4.6. As the remainder of the route, north of the proposed Phase 3, is within North Northamptonshire, it will be for North Northamptonshire Council to determine whether any further phases of improvement should be progressed in future.

5. Progress on Phase 3

- 5.1. Government funding for major road schemes can be sought through the Department for Transport, although a local funding contribution is usually required. These programmes require the submission of a series of business cases:
- Strategic Outline Business Case – submitted when the scheme is at an early stage of development
 - Outline Business Case – submitted when the design of the scheme is well developed, and usually just after submission of a planning application
 - Full Business Case – submitted when planning permission and all other statutory powers (such as compulsory land purchase) have been obtained and tender prices have been received from the construction contractor.

5.2. A bid for inclusion of Phase 3 in the Department for Transport's Major Road Network funding programme was submitted in August 2019. Following acceptance of the scheme as part of the Major Road Network programme, a Strategic Outline Business Case was developed and submitted to the Department for Transport in May 2022. Work is now under way to further develop the design of the scheme and prepare an Outline Business Case. Discussions are also underway with the planning departments of the two Councils to determine whether a planning application is required, or whether (as an improvement of an existing highway), the improvement can be progressed under permitted development rights.

6. Issues and Choices

6.1. Because the scheme crosses the boundary between North and West Northamptonshire, it is proposed that it is jointly developed by the two Councils, despite the wider separation of their highway and transport functions.

6.2. Such a joint arrangement is usual where a scheme crosses the boundary between two (or more) authorities. It is necessary for one authority to be the lead authority, responsible for funding submissions to the Department for Transport, employment of consultants to work on the scheme and, in due course, the employment of the construction contractor.

6.3. As the majority of the scheme lies within West Northamptonshire, it is proposed for West Northamptonshire Council to be the lead authority for this scheme. Arrangements are needed to ensure that North Northamptonshire Council is properly involved in the governance of the scheme and makes an appropriate contribution to the funding.

6.4. A Memorandum of Understanding for joint working between the two Councils will be drawn up based on the draft Heads of Terms at **Appendix B**. The Memorandum of Understanding will cover the following topics:

- Purpose and extent of scheme
- Project Governance
- Project Management
- Distribution of costs between the Councils
- Arrangements for re-charging of costs
- Arrangements for reviewing the Memorandum of Understanding

6.5. Alternative options which have been considered include:

- For one Council to construct the project completely at its cost. It is unlikely that either Council would wish to spend its funds on an improvement in the other Council's area in this way.
- For each Council to construct its section of the road separately. This would not be efficient and would create a risk that the timescales did not align at

the point where the road crossed the boundary. Such lack of co-operation would also be unlikely to secure funding from the Department for Transport.

- To progress improvements to the Holcot/Sywell roundabout only. This would not provide all the capacity required to accommodate growth in West Northamptonshire,
- To construct the road only in one Council's area or to not progress the scheme at all. Neither of these options would address the dual problems of increasing road capacity to accommodate development in West Northamptonshire and existing capacity problem at the Holcot/Sywell roundabout in North Northamptonshire.

6.6. None of these options is recommended, although improvements to the Holcot/Sywell roundabout only are a possible alternative which could be considered in future should the larger scheme not progress.

7. Next Steps

7.1. Assuming approval of this report and signing of the Memorandum of Understanding, work will progress to prepare the Outline Business Case, the design of the scheme and a planning application (should it be required). Alongside this work, discussions will take place to secure the land necessary for the scheme, which may require Compulsory Purchase Order(s).

7.2. The final stage of work before construction will be to undertake the detail design of the scheme and procure a construction contractor, should one not have already been secured through Early Contractor Involvement. Once tender prices for construction have been obtained, a Full Business Case will be submitted to the Department for Transport to secure their match funding for the scheme.

7.3. The timescales for delivery of the scheme are heavily dependent on whether a planning application and compulsory purchase order (and likely consequent public inquiry) are required. If they are, it is currently forecast that construction would begin in February 2026, with completion in April 2027. These dates would be accelerated if a planning application and compulsory purchase powers/public inquiry are not required.

8. Implications (including financial implications)

8.1. Resources, Financial and Transformation

8.1.1. The scheme forms part of the Department for Transport's Major Roads Network funding process. The key gateways for obtaining Department for Transport approval are as follows:

Strategic Outline Business Case (SOBC)	wholly funded by promoting local authority (s)
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Outline Business Case (OBC)	DfT will provide up to two-thirds of the costs, remainder from local authority
Final Business Case (FBC) Construction	DfT will provide majority of funding, local authority will provide at least 15% of total scheme costs.

8.1.2. In March 2020, the former County Council committed £0.500m of surplus fee income received under Section 278 of the Highways Act 1980 towards the development of the SOBC. Of that funding, £0.349m was used to develop the SOBC, leaving £0.151m available for the OBC.

8.1.3. The forecast cost of developing the OBC is £2.034m. £1.356m (64%) of this cost has been sought from the Department for Transport, with a response awaited. The remaining funding will be found as follows:

Cost of developing OBC (including design, environmental assessment and planning application)		£2.034m
Of which contribution sought from DfT (64%)		£1.356m
Of which contribution to be found by local authorities		£0.678m
Deduct remaining S278 funding		£0.151m
Further funding to be found		£0.527m
Split between	NNC	WNC
	17%	83%
Funding to be found by each authority	£0.089m	£0.438m

8.1.4. North Northamptonshire Council has allocated £0.089m of its Integrated Transport Block capital funding allocation for 2021/2 to be its local contribution to the scheme.

8.1.5. West Northamptonshire Council has allocated £0.438m of funding as follows:

- £0.278m from the revenue budget for developing 'pipeline' highway schemes
- £0.080m of Section 278 funding surplus from work to examine the old Brackmills rail line (work was completed without using all the funding)
- £0.080m of Integrated Transport Block capital funding from its 2022/3 allocation.

8.1.6. A further £1.8m will be needed to complete detailed design, land acquisition negotiations/compulsory purchase and the Full Business Case. The expectation is that £1.3m of this would come from the Department for Transport and £0.5m from the Councils, which would represent £0.085m for North Northamptonshire Council. This contribution could be allocated from future Integrated Transport Block funding, assuming the Department for Transport continue to provide funding in the same manner as previous years. Based on funding years to date, there is no reason to think this will not continue.

8.1.7. The forecast construction cost is currently £28.4m. To provide the local contribution towards construction of at least 15% of construction costs, a

Section 106 funding contribution of £8m has been agreed in principle by West Northampton Council with the developers of Overstone Grange. It is likely that the Councils would need to forward fund this contribution in advance of its receipt.

8.2. Legal and Governance

8.2.1 As mentioned in section 7 above, it is possible that a Compulsory Purchase Order will be required in due course. This Order requires significant work and time to be undertaken (especially if a public inquiry is required) and this has been taken into account when considering the timescales for scheme delivery.

8.2.2 While a Memorandum of Understanding is considered sufficient to agree the working relationships between the two Councils at this stage, it is likely that a formal agreement under section 8 of the Highways Act 1980 will be required to permit construction of the scheme. This will be progressed at a later stage in the process.

8.3. Relevant Policies and Plans

8.3.1. The proposal will assist the Council in meeting the priorities in the Corporate Plan around:

- Safe and Thriving Places
 - Maintain our highways infrastructure to help people move safely around North Northamptonshire
 - Enable people to travel across North Northamptonshire and beyond
- Green, sustainable Environment
 - Promote sustainable, active travel
 - Embed low carbon technology, sustained and improved green infrastructure, and sustainable forms of transport fit for the future.

8.3.2. The proposal will assist the Council in delivering the objectives of the Northamptonshire Transportation Plan (the Council's Local Transport Plan), which the Council has a statutory duty to deliver.

8.4. Risk

8.4.1. The principal risk associated with the project at this stage, as with all such major highway schemes, is that funding is being committed 'at risk' with no certainty that it will be constructed, if either the necessary approvals are not secured or funding for construction is not secured.

8.4.2. This risk is considered to be low, however, as the project has strong justification and represents 'high' value for money under the Department for Transport's

appraisal techniques, with a Benefit to Cost Ratio of 3.46:1 at the Strategic Outline Business Case.

8.5. Consultation

8.5.1. Consultation with stakeholders along the A43 corridor between Northampton and Kettering was undertaken in 2008, at an early stage of the development of the proposals, which identified that dualling of the existing road, together with a Moulton Bypass was the most appropriate solution for the current and future problems along the route.

8.5.2. Public consultation on the Phase 3 proposals will be undertaken when the proposals are sufficiently developed and in advance of any planning application being submitted.

8.6. Consideration by Executive Advisory Panel

8.6.1. Not applicable at this stage. The Sustainable Communities or Prosperous Communities Executive Advisory Panel may choose to examine the scheme in the future.

8.7. Consideration by Scrutiny

8.7.1. Not applicable at this stage. Scrutiny may choose to scrutinise the scheme in the future.

8.8. Equality Implications

8.8.1. An overall Equalities Screening Assessment has been completed for the programme of works and no negative impacts to groups with protected characteristics were identified as a result of that screening.

8.9. Climate and Environment Impact

8.9.1. The carbon impact of the scheme will be considered in more depth at future stages of the business case and additional work will be commissioned to confirm the scale of the impact by a quantitative assessment as part of the Environmental Impact Assessment. The SOBC concludes that with the scheme, emissions will continue to be prevalent, albeit at a more efficient level due to reduced congestion on the route. The improved provision for active modes will also deliver carbon savings.

8.10. Community Impact

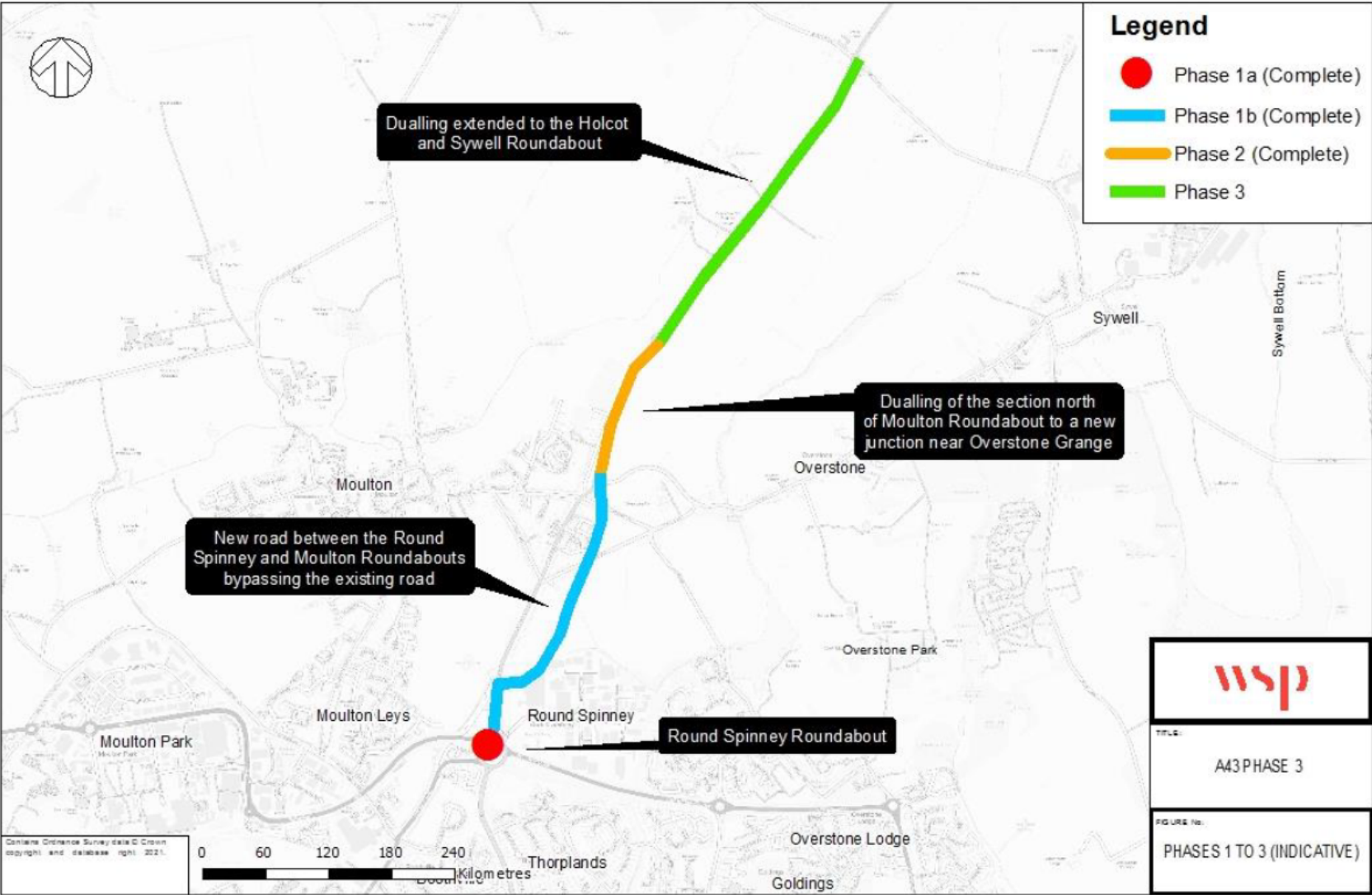
8.10.1. Given the catchment of A43 users, the benefits will be widespread, most notably in terms of journey time, reliability, quality and safety. This will benefit cars, freight and public transport users of the corridor. In the vicinity of the scheme, where there is existing congestion, there will be air quality benefits. Local communities will benefit from the improved walking and cycling connections, in terms of accessibility and health.

8.11. Crime and Disorder Impact

8.11.1. There are no evident crime and disorder implications of the proposals in this report.

9. Background Papers

9.1. None



A43 NORTHAMPTON – KETTERING IMPROVEMENTS PHASE 3

DRAFT HEADS OF TERMS

1. North Northamptonshire Council (NNC) and West Northamptonshire Council (WNC) have jointly agreed to progress improvements to the A43 between the current end of the dualling at the new roundabout at Overstone Gate and the Holcot/Sywell (Holcot Lane) roundabout, known as A43 Northampton – Kettering Improvements Phase 3.
2. The improvements are being jointly promoted as a scheme through the Department for Transport (DfT) Major Road Network (MRN) programme, with the intention of securing funding by that route to deliver the improvements.
3. The Councils agree to share the costs of the scheme. The current agreed split of costs is on the basis of the area of road surface within the scheme, which is 83% WNC/17% NNC. Any future changes to this cost-allocation shall be agreed by the Councils.
4. A planning obligation under Section 106 of the Town & Country Planning Act 1990 towards the scheme (A43 Upgrade Works) has been secured by WNC from the Overstone Green development. Subject to the scheme progressing as planned, WNC will pay 17% (or such amended figure as shall be agreed under (3) above) of the receipts from this obligation to NNC.
5. Both Councils will participate in regular project meetings to progress the scheme and shall appoint a Senior Responsible Owner (SRO) and Project Lead.
6. Except where otherwise agreed, WNC shall appoint a Project Manager and procure consultants and contractors to progress/deliver the scheme.
7. WNC will invoice NNC on a quarterly basis for their share of scheme costs as in (3 and 5) above, and where appropriate NNC will similarly invoice WNC.
8. The costs of SROs and Project Leads will not be recharged.
9. Progress will be governed by Gateways linked to submission of Business Case to the DfT and Executive/Cabinet decisions
10. These heads of terms do not have any implications in terms of the determination of any planning application(s) for the scheme by the Councils

11. The Councils will determine the responsibility for any necessary statutory orders in due course.
12. The allocation/recharge of costs above shall be reviewed if DfT allocate all the capital funding to one authority.
13. In the event of the MRN bid being unsuccessful, it is anticipated that the authorities would concentrate on a smaller scheme focusing on smaller-scale improvements including capacity improvements to the Holcot/Sywell roundabout.
14. The Councils may decide to withdraw from the scheme at any time, but should they do so agree to jointly meet costs incurred or committed up to that date.
15. This MoU shall be reviewed and updated as necessary at key stages during the project and particularly before proceeding to construction.