

Cabinet

12 September 2019

Developer-funded Scheme Approval

Recommendation

That Cabinet gives approval to the procurement of a construction contract for the following Section 278 scheme and authorises the Strategic Director for Communities to enter into such contract on terms and conditions acceptable to the Strategic Director for Resources subject to the applicable Section 278 Agreement with the Developer being signed which will provide for 100% of the funding:

- C43 Gallows Hill, Warwick. Developers – L&Q Estates, Galliford Try Partnership and Warwick District Council. Approximate value £3.5 million

1.0 Key Issues

- 1.1 This scheme will be fully funded by developer contributions ring-fenced for the works specified. For developer funded schemes, there are no alternative uses for the contribution and the inclusion of these schemes on the capital programme does not affect the overall level of available capital resources.
- 1.2 The construction contract will be undertaken by a contractor from the appropriate Lot of the Council's Framework Contract for the Provision of Engineering and Construction Works 2019. The procurement process for the contract will either involve a mini-competition between Framework contractors or a direct award to a Framework contractor nominated by the developer. The direct award option is only available when the works are wholly funded by a developer who has entered into a Highways Act 1980 Section 278 agreement with the County Council.
- 1.3 Cabinet is requested to approve the procurement of a construction contract for the Section 278 schemes and to authorise the Strategic Director for Communities to enter into such contract on terms and conditions acceptable to the Strategic Director for Resources.

2.0 C43 Gallows Hill, Warwick

- 2.1 A planning application was submitted to Warwick District Council by Gallagher Estates in respect of a residential development to the south of Gallows Hill with points of access from Europa Way (south) and Gallows Hill. Planning permission was granted on appeal on 14 January 2016 (ref: APP/T3725/A/14/2229398 and W/14/0681).

- 2.2 A separate planning application was submitted to Warwick District Council by Savills in respect of a residential development to the north of Gallows Hill with points of access from Europa Way (north) and Gallows Hill. Planning permission was granted on 03 April 2015 (ref: W/14/0967). This development is now being taken forward by Galliford Try Partnerships and Warwick District Council.
- 2.3 A plan showing the current design of the proposed highway improvement is included in the **Appendix**, however this may be subject to change as the detailed design evolves through the technical review process.
- 2.4 Council gave approval on 25 July 2019 to enter the scheme onto the 2019/2020 capital programme. The County Council will enter into a Section 278 agreement with the Developers to undertake the works at an estimated cost of **£3,500,000** including fees. Under the agreement the costs will be fully funded by the Developers. Subject to the signing of the Section 278 agreement, works are expected to be carried out in the 2019/2020 financial year and be completed within the 2020/2021 financial year.

3.0 Financial implications

- 3.1 Section 278 schemes are fully funded by developer contributions which are ring-fenced for the works described in this report. There are no alternative uses for the contributions and the inclusion of these schemes on the capital programme will not affect the overall level of available capital resources.
- 3.2 The financial years within which the works are expected to start and to finish is included in the section above. However, the commencement of the works is dependent on the completion of the technical review, procurement and contractor mobilisation processes and may slip. Any slippage will be reported in the normal quarterly monitoring process.

Background papers

None

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The report was circulated to the following Members prior to publication:

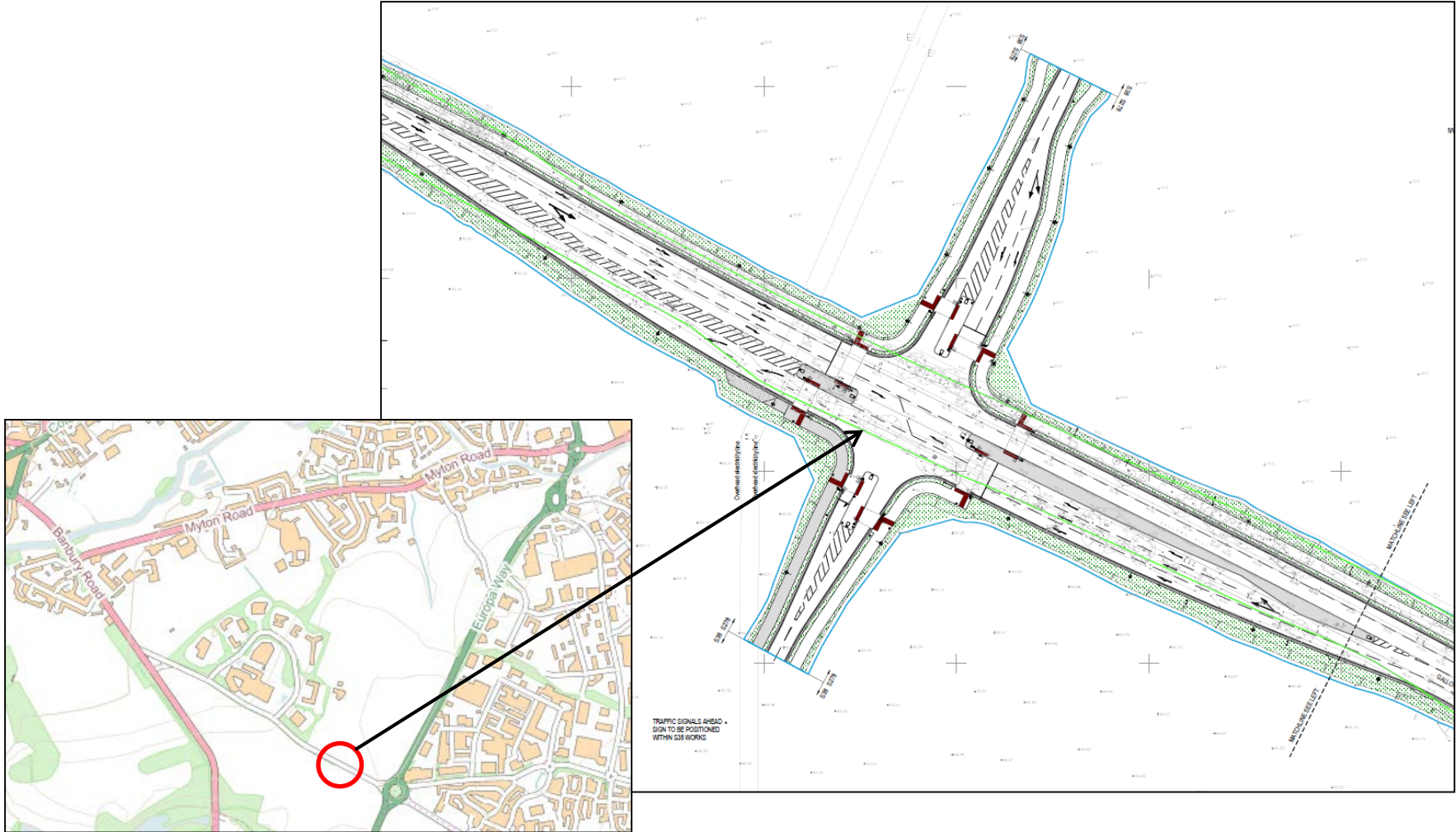
Local Members:

Cllr Birdi – Warwick South

Other Members:

Cllrs Roodhouse, Chilvers, Singh Birdi, Warwick, O'Rourke, Butlin, Chattaway and Boad

Appendix



S278 scheme:
C43 Gallows Hill, Warwick