

Cabinet

11 December 2018

Developer-funded Scheme Approval

Recommendation

That Cabinet gives approval to the procurement of a construction contract for the Section 278 scheme at A426 Leicester Road/M6 Junction 1 subject to Council approving the addition of the scheme to the Capital Programme and authorises the Joint Managing Director (Communities) to enter into such contract on terms and conditions acceptable to the Joint Managing Director (Resources).

1.0 Key Issues

- 1.1 This scheme will be fully funded by a developer contribution ring-fenced for the works specified. For developer funded schemes, there are no alternative uses for the contribution and the addition of this scheme will 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. The procurement process will either involve a mini-competition between Framework contractors or a direct award to a Framework contractor nominated by the appropriate 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.

2.0 A426 Leicester Road / M6 Junction 1, Rugby

- 2.1 A planning application was submitted to Rugby Borough Council by MOTO Hospitality Ltd for the construction of a new motorway service area (MSA). Planning permission was granted on 02 May 2018 (ref: R17/0111) and this requires the Developer to make changes to the circulatory carriageway on the A426 at M6 Junction 1 to create the access to the MSA. Highways England will enter into a Highways Act 1980 Section 6 agreement to allow Warwickshire County Council to undertake construction works on the motorway slip roads.
- 2.2 Subject to Council's approval on 13 December 2018 to enter the scheme onto the 2019/2020 capital programme, the County Council will enter into a Section 278 agreement with the Developer to undertake the works at an estimated cost of £3.5 million including fees. Under the agreement the costs will be fully funded by the Developer. Subject to the signing of the Section 278

agreement, works are expected to be carried out in the 2019/2020 financial year.

- 2.3 Subject to Council's approval, Cabinet is requested to approve the procurement of a construction contract for the works and to authorise the Joint Managing Director (Communities) to enter into such contract on terms and conditions acceptable to the Joint Managing Director (Resources).

Background papers

None

	Name	Contact Information
Report Author	Shirley Reynolds	shirleyreynolds@warwickshire.gov.uk Tel: 01926 412110
Assistant Director (Communities)	Mark Ryder	markryder@warwickshire.gov.uk Tel: 01926 412811
Joint Managing Director (Communities)	Monica Fogarty	monicafogarty@warwickshire.gov.uk Tel: 01926 412514
Portfolio Holder (Finance and Property)	Cllr Peter Butlin	cllrbutlin@warwickshire.gov.uk Tel: 01788 816488

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

Local Members:

Cllr Simpson-Vince – Brownsover and Coton

Cllr Warwick – Fosse

Other Members:

Cllr Birdi, Cllr Boad, Cllr O'Rourke, Cllr Timms