

# County Council

17 December 2024

## Developer Funded S278 A452 Europa Way - Gallows Hill / Harbury Lane / Heathcote Lane Roundabout (The Asps 1D)

### Recommendations

That Council approves the addition of £3.7million to the Capital Programme in relation to the section 278 highways improvement scheme at the A452, Europa Way - Gallows Hill/Harbury Lane/Heathcote Lane Roundabout (The Asps 1D), which will be fully funded by developer contributions.

### 1. Executive Summary

- 1.1 A joint planning application was submitted to Warwick District Council by Taylor Wimpey Midlands and Bloor Homes Midlands in respect of land at Asps Farm, Warwick. Planning consent was granted on appeal on 14 January 2016 (ref W/14/0300) and APP/T3725/A/14/2221613) for a large residential development including the erection of up to 900 dwellings, a primary school, a local centre and a Park and Ride facility for up to 500 spaces with vehicular access from Europa Way and Banbury Road.
- 1.2 Subsequent permission was granted for variation of conditions (ref W/20/1642) on 25 February 2021, and which required the developers to enter into a Section 278 agreement with Warwickshire County Council for works to be carried out in the limits of the public highway to implement the Europa Way/Gallows Hill/Heathcote Lane/Harbury Lane roundabout scheme.
- 1.3 The scheme will improve and upgrade the existing roundabout junction to accommodate the future increase of traffic volumes resulting from the new development. The localised carriageway will be widened to introduce a dual lane exit onto Europa Way North and a third gyration lane will be constructed on the south side of the roundabout to maintain traffic flows onto and around the junction. The proposed new footpath/cycleway signalised crossing will further improve the overall safety of the junction.
- 1.4 A general plan of the s278 works is included at Appendix 1 together with a location drawing showing the location of the Works at Appendix 2.
- 1.5 The estimated value of the construction works is approximately £3,700,000, which value requires approval of Council in order to add the scheme to the Capital Programme.

## **2. Financial Implications**

- 2.1 As the new highway assets which are being created through these schemes will come on to the Council's balance sheet once completed, the costs incurred by the Council need to be treated as capital expenditure.
- 2.2 Section 278 schemes are fully funded by developer contributions which are ring-fenced for particular schemes. There are section 278 funds ringfenced for the scheme described in this report. There are no alternative uses for the contributions and the addition of this scheme will not affect the overall level of available capital resources.
- 2.3 Construction project management, supervision and inspection fees are collected by the Council in advance of the works starting. The fees paid to the Contractor are recovered from the developer. The developer is invoiced in accordance with the terms of the section 278 agreement.
- 2.4 The developer is liable for the cost of any unforeseen changes to the works and/or construction delays and overruns of the scheme and will fully fund any additional costs.
- 2.5 The estimated design technical review fees are also collected by the Council in advance of the technical review starting. Any additional costs incurred during the technical review phase will be fully funded by the developer and collected by the Council in advance of the s278 agreement being signed.
- 2.6 Procurement and subsequent award of construction contracts will only take place subject to the applicable Section 278 agreements being signed. The s278 commits the developer to funding the works in full. The s278 agreements will also require the developer to provide a bond or cash security to the value of 150% of the Contract Price. The security pays out in the case of default or insolvency by the developer and will remain in place until completion of the works. The commencement of the works is also dependent on the completion of the technical review, procurement, and contractor mobilisation processes. Any slippage in programme or increase in costs due to changes in the scope of the works are at the developer's risk and will be reported in the normal quarterly monitoring process. To avoid developer disputes arising from changes to the works, effective risk management procedures to mitigate programme delays and cost increases will be discussed and agreed with developers during preconstruction, construction and post construction phases.

## **3. Environmental Implications**

- 3.1 The environmental impacts of developer-funded highway schemes are considered through the planning approval process.

- 3.2 The contractors on the Council’s Framework Contract for the Provision of Engineering and Construction Works (WCC 16382 have all demonstrated that they hold a certificate of compliance with BS EN ISO 140001 (or equivalent) or have otherwise satisfactorily demonstrated their policies and arrangements for the management of construction-related environmental issues.

#### 4. Timescales associated with the decision and next steps

- 4.1 The developer will submit to the Council the fully detailed highways improvement design for technical approval. The Council will collect in advance the necessary fees and will undertake the technical review of the submitted highways design.
- 4.2 At the point where the technical review is complete the works will be programmed with consideration to other works planned in the area.
- 4.3 The expected works start dates or duration are not yet known. Once the work is programmed and the contracts are in place these dates will be communicated to stakeholders who may be affected by the works.

#### Appendices

Appendix 1 - Location Drawing 332210634-STN-GEN-2002-DR-C-0101 P01

Appendix 2 - TAYLOR WIMPEY / BLOOR HOMES General arrangement Drawing 332210634-STN-GEN-2002-DR-C-0102 P01

#### Background Papers

Planning Decision Notice W/20/1642

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

Local Member(s):

- Councillor Jan Matecki (Budbrooke & Bishop's Tachbrook)
- Councillor Parminder Singh Birdi (Warwick South)

Other members: Councillors Warwick, Singh Birdi, Boad, and W Roberts