

Report to the Cabinet

Meeting to be held on Thursday, 14 June 2018

Report of the Head of Design and Construction

Part I

Electoral Division affected:
Padiham and Burnley West;

Padiham Public Realm Improvements

(Appendix 'A' refers)

Contact for further information:

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Executive Summary

Burnley Borough Council, supported by the county council, has recently been successful in a bid to the Lancashire Enterprise Partnership to fund public realm improvements on Burnley Road, Padiham. Burnley Borough Council has indicated a willingness to enter into a formal section 278 agreement for the design, delivery and payment of the works and that this will be managed by the county council as the Highway Authority.

This is deemed to be a Key Decision and the provisions of Standing Order C19 have been complied with.

Recommendation

Cabinet is asked to:

- (i) Approve that the county council enters into a section 278 agreement under which it will accept staged payments totalling £2,072,873 from Burnley Borough Council together with any other additional financial resources for the project that may be agreed.
- (ii) Approve that payments received be added to the Highways block of the 2018/19, 2019/20, 2020/21 and 2021/22 capital programme in advance of any application for payment from the appointed contractor. It is estimated that the following expenditure will be incurred in each year £120,000 (2018/19), £800,000 (2019/20), £972,873 (2020/21) and £180,000 (2021/22). The final wording of the agreement will be agreed under the present delegations for S278 Agreements.

Background and Advice

The Padiham public realm improvements scheme promoted by Burnley Borough Council, the accountable body for the funding, is intended to improve the street scene along Burnley Road. This will be achieved through the use of quality materials, widening of footways, the introduction of crossing points, the creation of focal points and decluttering the street scene. The initial concept plan for the scheme was produced by a consultant engaged by Burnley Borough Council with input from the county council. The concept plan will be developed into a detailed design and this will form the basis of a wider stakeholder consultation.

It is currently anticipated that the design and consultation process will take 15 months to complete with a forecast start on site of September 2019 and a construction period estimated at 12 months. These estimates will be refined once a contractor is appointed and a construction programme has been agreed.

A copy of the phase plan is set out at Appendix 'A'.

Consultations

As noted above, full consultation with stakeholders and vulnerable users will take place as part of the design process.

Implications:

This item has the following implications, as indicated:

Risk management

Financial

The Project will be fully funded by Burnley Borough Council via funding secured from the Lancashire Enterprise Partnership Growth Deal in the sum of £1,892,872 and Padiham Town Heritage fund in the sum of £180,000. These two funding sources must be spent by March 2021 and March 2022 respectively. Final payments to the contractor will be required outside of the Lancashire Enterprise Partnership funding deadline. To manage this, Burnley Borough Council has agreed with the Lancashire Enterprise Partnership that spending under the Lancashire Enterprise Partnership's budget will be prioritised ahead of the Padiham Town Heritage budget.

A section 278 agreement will manage the financial position between Burnley Borough Council and the county council which will enable the payment of funds by Burnley Borough Council in a staged approach to align with the payment arrangements of the Lancashire Enterprise Partnership. Once the design phase is complete the construction phase costs will be determined by the works tendering process and the funds obtained from Burnley Borough Council. The terms of the agreement will require Burnley Borough Council to pay all actual costs associated with the work, thus minimising the risk to the county council.

There is no requirement for the county council to fund any aspect of these works and therefore no county council borrowing is required.

Legal

The majority of work will take place within the highway boundary. Any works outside of this where Burnley Borough Council currently owns the land will need to be dedicated under Section 72 of the Highways Act 1980.

List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A