

## DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
DEVELOPMENT SERVICES DIRECTORATE	FULL COUNCIL	4 DECEMBER 2017	15

### USE OF SECTION 106 MONIES – M55-HEYHOUSES LINK ROAD

#### PUBLIC ITEM

This item is for consideration in the public part of the meeting.

#### SUMMARY

The council currently holds £250,000 paid in accordance with a Section 106 agreement relating to the former Electronic Data System (EDS) site on Heyhouses Lane. The money was secured in order to: *finance the delivery of sustainable transport infrastructure (including footpaths, cycleways and bridleways) directly related to the Development including works associated with the M55 to Heyhouses link road scheme*. Detailed design work of the M55-Heyhouses link is being carried out by a consultant engineering company and it is proposed to use the contribution currently held by Fylde Council to finance the design and the overseeing of design work by Lancashire County Council by way of a funded budget increase to the scheme for this purpose within the current approved Capital Programme. The Head of Governance has confirmed that the use of the monies in this manner would accord with the provisions of the agreement.

#### RECOMMENDATION

##### The Council is requested:

1. To approve a funded budget increase in the sum of £250,000 to the M55 Link Road (design works) scheme that is within the current approved Capital Programme for 2017/18, to be met in full from S106 developer contributions for delivery of the link road currently held by the Council for this purpose in the same sum; and
2. To note that the developer contribution is intended to provide funding for the design of the link road and consequently that the total sum of £250,000 will be made to the appointed consultant engineering company and to Lancashire County Council in accordance with their respective costs.

#### SUMMARY OF PREVIOUS DECISIONS

Council 4<sup>th</sup> July 2016 RESOLVED:

Approve an addition to the capital programme for 2016/17 in the sum of £424,765.02, which has been met in full from the balance of S106 developer contributions for construction of the link road currently held by the Council for this purpose in the same sum. The developer contribution is intended to provide funding for the design and the contractual management of the link-road scheme by Lancashire County Council, and Members are requested to note that this payment has been made in accordance with the terms of the planning obligation.

CORPORATE PRIORITIES	
Spending your money in the most efficient way to achieve excellent services ( <b>Value for Money</b> )	√
Delivering the services that customers expect of an excellent council ( <b>Clean and Green</b> )	
Working with all partners ( <b>Vibrant Economy</b> )	√
To make sure Fylde continues to be one of the most desirable places to live ( <b>A Great Place to Live</b> )	√
Promoting Fylde as a great destination to visit ( <b>A Great Place to Visit</b> )	√

## REPORT

1. The delivery of the M55-Heyhouses Link Road is a key priority for the council which is identified as an essential piece of infrastructure in the Corporate Plan, the adopted and emerging local plans and the Fylde Coast Highway and Transport Masterplan.
2. Planning permission was granted by the Secretary of State for the construction of the link road in June 2012. Funding for the project has been secured through a number of legal agreements (Sn 106) entered into prior to the granting of planning permission for those developments where it was considered likely that an increase in traffic generation would be such that resulting conditions on the local highway network would be unacceptable without significant improvements in the network. The link road has been identified as an essential addition to the highway network that would deliver the necessary improvements to facilitate those developments.
3. Prior to granting planning permission for the mixed use retail, leisure and residential development of the former EDS site at Heyhouses Lane, the developer entered into a Section 106 Agreement to contribute towards improvements in the local transport network. The agreement secured a contribution of £250,000 to *'finance the delivery of sustainable transport infrastructure (including footpaths, cycleways and bridleways) directly related to the Development including works associated with the M55 to Heyhouses link road scheme'*. This money has been paid to the council and no other projects have been identified against this funding. If the money is not spent by 12 May 2024, it must be returned to the developer.
4. Clearly the design of the highway will be a key element in the delivery of the road and it is considered that the funding currently held by the council can be utilised to finance the design work in accordance with the terms of the agreement. The design work is already underway, funded by contributions from several developments at Whitehills in line with previous decisions of the council, and is being carried out by a national engineering company overseen by Lancashire County Council in their role as highway authority.
5. A significant element of funding of the link road has been secured through the residential development at Queensway. This funding will be payable at certain key trigger points as the development of that site progresses. As this could take many years based on typical rates of construction, Fylde Council in association with the Local Enterprise Partnership and Lancashire County Council have sought additional external funding in order to accelerate the delivery of the link road.
6. In order to ensure there are no delays in the delivery of the link road, Members are asked to approve a funded budget increase to the capital scheme for the M55 Link Road (design works) in the sum of £250,000 to be fully funded by the EDS Sn 106 contribution (applications 13/0450 & 13/0635) that has been paid to the council for this purpose. The developer contribution is intended to provide funding for the design of the link road and consequently that the total sum of £250,000 will be made to the appointed consultant engineering company and to Lancashire County Council in accordance with their respective costs.

## IMPLICATIONS

Finance	The report requests approval to a funded budget increase to the M55 Link Road (design works) scheme that is within the current approved Capital Programme for 2017/18 in the sum of £250,000, to be met in full from S106 developer contributions for delivery of the link road currently held by the Council for this purpose; and requests that Members note that the payment will be made in accordance with the terms of the Sn106 agreement.
Legal	The use of the funding for the purposes identified would be within the purposes of the EDS Systems section 106 agreement.
Community Safety	None
Human Rights and Equalities	None
Sustainability and Environmental Impact	The sustainability and Environmental impacts of the scheme were fully considered at the time planning permission was granted for the development.
Health & Safety and Risk Management	None

LEAD AUTHOR	CONTACT DETAILS	DATE
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## BACKGROUND PAPERS

Name of document	Date	Where available for inspection
Planning Application 13/0450	22/07/2013	<a href="http://www3.fylde.gov.uk/online-applications">www3.fylde.gov.uk/online-applications</a>
Planning Application 13/0635	9/10/2013	<a href="http://www3.fylde.gov.uk/online-applications">www3.fylde.gov.uk/online-applications</a>