

Report to: Cabinet

Date of Meeting: 4 March 2020

Public Document: Yes

Exemption: None

Review date for release None



Subject: Long Lane Enhancement Scheme

Purpose of report: To seek final budgetary approval for the Long Lane Enhancement works.

Recommendation: That Cabinet agree a budget of £2.55m for the Long Lane Enhancement works to be funded through the Enterprise Zone programme

Reason for recommendation: To enable the Long Lane enhancement works to be implemented.

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Portfolio Holder: Portfolio Holder for Finance

Financial implications: Council has approved £8m of borrowing for projects to facilitate economic growth in the Enterprise Zone with funding to come from ring fenced EZ business rate income. Detailed approval of schemes within this sum were to be approved by Cabinet.

In line with this approval Cabinet agreed a £3m spend on Long Lane Enhancement scheme with contributions to be secured of £970k (£300k Airpark and £670k FAB) giving a net spend of £2.03m. The scheme was subsequently scaled down because of the inability to secure the FAB funding, this was approved by Cabinet with a reduction in spend of £1.4m, but with no FAB contribution of £670k, giving a net budget of £1.3m.

This report updates the costs involved in delivering the scaled down project to £2.55m which after deducting £300k Airpark contribution gives a revised net cost budget of £2.25m which Cabinet are being asked to approve.

Legal implications: The report does not alter the overall legal position which was commented on in the reports to Cabinet of March and July 2019. As detailed, the outcome of the first report was a decision to proceed with the enhancement works but the second report agreed to revise the works and reduce the overall projects costs to minimise potential risk. Notwithstanding that, the costs have now risen for the reasons set out and it is therefore necessary to obtain Cabinet's agreement to the revised spend which remains within the overall approved budget. Otherwise there are no specific legal implications requiring comment and the legal advice in relation to the project remains as per the March 2019 and July 2019 Cabinet reports.

Equalities impact:	Low Impact
Climate change:	High Impact The works will help to create a public transport loop and cycleway which will serve a major employment area. This will help to reduce reliance on the private car and promote sustainable modes of travel.
Risk:	Medium Risk The County Council are leading the delivery of the scheme including procuring contractors. Residual risks in relation to landownership and drainage are being managed by the County Council.
Links to background information:	Cabinet March 2019 Item 19 Cabinet July 2019 item 14
Link to Council Plan:	Outstanding Economic Growth, Productivity and Prosperity Outstanding Council and Council Services.

Background

- 1.1 Long Lane runs in an east/west direction immediately to the south of Exeter Airport. It connects to the B3184 and provides the main point of access to the Airport, Flybe Hangar and Training Academy and the Airport Hotel. When travelling in an easterly direction the Lane quickly narrows to below the standard (6.5m) needed to accommodate the two way flow of HGV traffic. This includes substantial stretches of single carriageway. The inadequate nature of the current highway is a major barrier to bringing forward the Airpark Enterprise Zone site.
- 1.2 Cabinet received a paper in March 2019 which set out a proposal for funding an enhancement and upgrading scheme for the Lane. This comprised of three main sections and included the stretch to the east of the Flybe Training Academy towards Harrier Court. This was itself connected with the need to provide enhanced access for the convertor station for the proposed France-Alderney-Britain Link project. The proposals are illustrated in plan form in Appendix A.
- 1.3 Cabinet resolved to make up to £3m available to fund the enhancement scheme. This was subject to securing contributions from both the Airpark (£300k) and FAB (£670k) projects. Delegation was approved to the Chief Executive in consultation with the Leader and Strategic Leads for Finance and Governance and Licensing to agree the terms and complete the funding agreement and any other necessary legal documentation.
- 1.4 Following further negotiations it became apparent that the FAB project was unwilling to offer any security to underwrite their £670k contribution to the scheme. Subsequently Cabinet resolved in July 2019 to reduce the overall scope of the works to delete the section between the Flybe Training Academy and Harrier Court.

Current position

- 2.1 Subsequent to Cabinet's consideration of the scheme last year the County Council has progressed further detailed design and technical work and undertaken a full procurement exercise. The final scheme comprises the following sections;

- Long Lane: Airport Terminal entrance, to Car Park 1
- Long Lane: Car Park 1 to Training Academy/Hotel
- Silverdown Lane Link

2.2 The final budget for the works is now £2.55m. The revised costs are due to;

- completion of further technical work regarding the drainage strategy
- changes to the design of the access to Car Park 1 at the Airport from a roundabout to a T junction to facilitate bus circulation
- completion of a detailed tendering exercise to secure contractors for both the Silverdown Lane link and Long Lane works
- further clarity in relation to design, legal and supervision costs

2.3 It is a specific recommendation of this paper that a revised budget of £2.55m for the works is approved to be funded through the Enterprise Zone programme. A final funding agreement can then be agreed with the County Council to allow the works to proceed.

Conclusion

3.1 The enhancement of Long Lane is an important project which, in addition to unlocking the Airpark Enterprise Zone site, will also bring a series of wider benefits including improved public transport provision. The works are now in a position where they can progress imminently and be complete early in 2021.