

COUNCIL MEETING – 28 JULY 2016

Extract from the Minutes of the Cabinet meeting on 14 JUNE 2016

CONGLETON LINK ROAD - FUNDING STRATEGY AND APPROVAL IN PRINCIPLE TO UNDERWRITE THE COSTS OF DELIVERING THE SCHEME

Cabinet considered a report on the funding strategy for Congleton Link Road. The report outlined the anticipated cost of the scheme, identified the provisional allocation of central government funding and predicted a level of contribution from the owners of land unlocked by the link road. It also asked Cabinet to approve, in principle, the underwriting of any remaining funding gap.

Councillor Liz Durham abstained from voting on this matter as she would be considering the planning application for the scheme as a member of the Strategic Planning Board on 15th June 2016.

RESOLVED

That Cabinet

1. notes the latest total scheme cost estimate is £90.7m, c£5.6m of which (project development costs to 31st March 2016) has already been invested by the Council;
2. notes the provisional allocation of £45m of Government funding to the project;
3. notes the existing assumptions under which land owner contributions could be garnered up to the sum of circa £23.7m;
4. notes the resultant funding gap being between £16.4m and £40.1m (dependent on the level of land owner contributions received);
5. notes the estimated payback timescales and risks surrounding land owner contribution expectations;
6. approves the underwriting, in principle, of any necessary gap funding required to deliver the link road;
- 7. recommends to Council that the scheme budget profile be adjusted accordingly in the Council's capital programme; and**
8. authorises the Executive Director - Place, in consultation with the Director of Legal Services, to negotiate and enter into agreements with key land owners with a view to increasing certainty, as far as is practicable at this stage, as to the level of land owner contributions.

(Recommendation 7 only is for Council to determine).