

1.6 That the County Council should continue to explore ways in which it could use its experience, professional and technical capacity to support the delivery of the M27 Junction 10 Improvement Scheme, provided any arrangements are consistent with established County Council policy for involvement at Welborne, including in particular a stipulation that there are no financial liabilities for the County Council from involvement in the scheme and effective partnership working arrangements are in place, including with Highways England as the strategic Highway authority responsible for the M27.

2. Reasons for the decision:

- 2.1. In September, the Cabinet resolved that the County Council would formally review its role as Scheme Promoter following the completion of Stage 3 of Highways England's approval process, which was expected by March 2021.
- 2.2. Fareham Borough Council has subsequently requested that the County Council formally advise whether it would be prepared to take on the role of Scheme Delivery Body, following a requirement by Homes England that the Delivery body be agreed prior to the completion of the funding agreement for the £30million Housing Infrastructure Fund prior to the end of February. Therefore, the review of the County Council's role in the scheme has been brought forward to enable a decision to be made within the timescale required by Fareham Borough Council.
- 2.3. A decision to halt work at the end of stage 3 risks losing momentum, not least through the need to disband the current project Team. Therefore, in view of the potential for additional progress to be made on addressing issues relating to managing financial risks and potential liabilities for the scheme, delivery body, it is recommended that some additional work on aspects of stage 4 and 5 tasks of the Highways England approval process should be undertaken by the County Council while the wider financial appraisal work is concluded, provided this externally funded.
- 2.4 The HIF application was made by FBC, and the grant funding arrangements revolve around the means by which grant funding is "recoverable" from returns on the development (above a pre-set level) and its reinvestment by FBC in housing, including affordable housing within Welborne Garden Village, is secured. The role of the planning /housing authority is fundamental to this process, meaning that FBC are the only body that can realistically sign the HIF agreement with HE, even if they then arrange, through a separate legal agreement, for funding, together with the grant funding obligations in relation to undertaking the highway infrastructure is to be passed to another body to deliver the highway works.

3. Other options considered and rejected:

- 3.1. To not provide a formal position would mean that it would not be possible for Homes England to conclude the funding agreement for its £30m contribution towards the scheme.

4. Conflicts of interest:

4.1. Conflicts of interest declared by the decision-maker: None

4.2. Conflicts of interest declared by other Executive Members consulted: None

5. Dispensation granted by the Conduct Advisory Panel: none.

6. Reason(s) for the matter being dealt with if urgent: not applicable.

7. Statement from the Decision Maker:

Approved by:

Date:

9 February 2021

**Chairman of Cabinet
Councillor Keith Mans**