

REPORT TO: Mersey Gateway Executive Board

DATE: 17 November 2011

REPORTING OFFICER: Chief Executive

SUBJECT: Detailed funding proposals for Mersey Gateway
(Key Decision)

WARDS: All

1.0 PURPOSE OF THE REPORT

1.1 The terms of the Conditional Funding Approval proposed by Ministers were reported to Council on 19th October. The Council agreed unanimously to accept the funding offer without modification. This report advises members of the formal exchange of correspondence between the Department for Transport and the Chief Executive which puts the funding agreement in place.

2.0 RECOMMENDATION: That the Mersey Gateway Executive Board note that the Conditional Funding Agreement is now in place.

3.0 SUPPORTING INFORMATION

3.1 The draft terms of the Conditional Funding Approval offer were considered by the MGEB on 22 September and forwarded to full Council on 19th October, with a recommendation that the terms be accepted. The Council resolved unanimously that:

1. the Council accepts the Conditional Funding Offer from Government in the form received.;
2. the Council supports the further development of the Mersey Gateway Project on the basis of
 - (a) the Conditional Funding Offer; and
 - (b) the information set out in the report and the attachments to this report (attachments to Council report not included in this report to MGEB);
3. the Council and its Officers take all reasonable steps to maximise toll discounts for residents of Halton; and
4. the Council delegate to the Chief Executive in consultation with the Leader of the Council, the Portfolio Holder for Resources and the Portfolio Holder for Transportation the power to take all reasonable steps necessary to achieve the delivery of the Mersey Gateway Project.

- 3.2 The funding offer was confirmed in a letter of 19th October 2011 from Mostaque Ahmed to the Chief Executive. The terms of the funding offer were accepted by the Chief Executive in his reply of 20th October 2011. This exchange of letters establishes the Conditional Funding Agreement with Ministers and the correspondence is attached at Appendix 1.

4.0 POLICY IMPLICATIONS

- 4.1 The project is a key priority for the Council which will deliver benefits locally and across the wider region.

5.0 OTHER IMPLICATIONS

- 5.1 All substantive implications are reported above and in the report annex.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Children and Young People in Halton

Mersey Gateway provides an opportunity to improve accessibility to services, education and employment for all.

6.2 Employment, Learning and Skills in Halton

See above

6.3 A Healthy Halton

Mersey Gateway provides an opportunity to improve accessibility to services, education and employment for all, including improved cycling and walking facilities.

6.4 A Safer Halton

Mersey Gateway is forecast to deliver road safety benefits for vehicles and facilitate safer conditions for walking and cycling in the borough

6.5 Halton's Urban Renewal

Mersey Gateway is a priority project in the urban renewal programme.

7.0 RISK ANALYSIS

- 7.1 The terms of the Conditional Funding Agreement set the parameters for delivering the Mersey Gateway project through the procurement phase and the project team are charged with satisfying these conditions. The procurement strategy based on a Competitive Dialogue procedure presents the best opportunity for a successful outcome from procurement. Market conditions are however outside the control of the project team and the cost of project finance remains potentially volatile. The financial projections used to settle the Conditional Funding Approval terms include a risk allowance and the robustness of forecasts will be monitored throughout

procurement. Any substantive adverse movement of market conditions will be reported to members.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1.1 Mersey Gateway provides an opportunity to improve accessibility to services, education and employment for all.

9.0 REASON FOR DECISION

9.1 The Council acceptance of the Conditional Funding offer from Ministers allows the project to proceed to the procurement phase.

10.0 ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

10.1 The funding support from Government is essential to deliver the project within affordable limits.

11.0 IMPLEMENTATION DATE

11.1 As reported above the Conditional Funding Agreement with Government is now in place.

12.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the Act