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Agenda Item No. 4(a)

DERBYSHIRE COUNTY COUNCIL

MEETING OF CABINET MEMBER – HIGHWAYS, ASSET AND TRANSPORT

17 June 2021

Report of the Executive Director - Place

SECTION 38 AND SECTION 278 AGREEMENT - SANDY LANE/THORPE AVENUE, WHITWELL

- (1) **Purpose of Report** To seek the Cabinet Member's approval to waive the requirement for a Guarantee Bond with regard to proposed works at Sandy Lane/Thorpe Avenue, Whitwell which are to be undertaken by Bolsover District Council under Section 278 and Section 38 Agreements of the Highways Act 1980.
- (2) Information and Analysis Bolsover District Council (BDC) has secured planning permission to develop 11 new homes at Thorpe Avenue, Whitwell. The works include a new junction at Thorpe Avenue, including its realignment and the redesign of a footway on the eastern side of Sandy Lane. An agreement under Section 38 of the Highways Act 1980 will be entered into with the County Council, as Highways Authority, to adopt the new road off Thorpe Avenue. These highway works are required to enable BDC to construct the new dwellings.

The scope and nature of planned work is shown on drawing numbers 11870 WMS 22 ZZ XX DR C39501-S8-P5-S38 and 11870 WMS ZZ XX DR C39501-S8-P2-278 (Appendix 1) and would normally attract a bond value of £186,268 for the Section 38 (£122,050) and Section 278 (£64,218) works. (NB: a Bond is normally secured to ensure the works can be completed by the Highway Authority should the developer not be able to do so).

BDC is aware that it needs the County Council's formal permission as Highway Authority to fund or carry out works in the public highway by entering into agreements under Section 278 and Section 38 of the Highways Act 1980.

BDC has confirmed in writing that it will underwrite the works and complete them to an adoptable standard as detailed by the County Council.

(3). **Financial Considerations** It is normal policy and practice for the County Council to require commercial developers to provide financial security

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prior to commencing work in order to indemnify the County Council against the cost of having to complete the work in the event that the developer defaults or ceases to trade.

In this instance, as the developer is a local authority, the County Council consider the risks of default or financial insolvency are negligible and are therefore able to waive the requirement for a Guarantee.

- (4) **Legal Considerations** Section 278 of the Highways Act 1980, empowers the County Council to allow third parties to fund or carry out highway improvement works. In this case, BDC will be obliged to enter into a Section 278 Agreement for the Sandy Lane/Thorpe Avenue highway works and to pay Derbyshire County Council's legal and inspection fees. Similarly, BDC will be obliged to enter into a Section 38 Agreement with the County Council to enable upgraded areas of Thorpe Avenue to be adopted and maintained as public highway, and to pay Derbyshire County Council's Legal and Inspection fees.
- (5) **Other Considerations** In preparing this report the relevance of the following factors has been considered: prevention of crime and disorder, equality and diversity, human resources, environmental, health, property, social value and transport considerations.
- (6) **Key Decision** No.
- (7) **Call In** Is it required that call-in be waived in respect of the decisions proposed in the report? No.
- (8) **Background Papers** Held on file within Highways Development Control in the Place Department.
- (9) **OFFICER'S RECOMMENDATION** That the Cabinet Member approves to waive the requirement for a Guarantee Bond regarding proposed works at Sandy Lane Thorpe Avenue, Whitwell which are to be undertaken by Bolsover District Council under Section 278 and Section 38 Agreements of the Highways Act 1980.

Chris Henning Executive Director - Place



