

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Economy, Transport and Environment
Date:	5 November 2013
Title:	Daedalus Phase 2 – Runway Upgrade, Fareham
Reference:	5288
Report From:	Director of Economy, Transport and Environment

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1. Executive Summary

1.1. The purpose of this paper is to gain approval for Hampshire County Council, through the resources of the Economy, Transport & Environment Department, to act as the delivery partner for the upgrade of the main Daedalus runway.

1.2. This paper seeks to:

- a) Set out the background to the project.
- b) Explain the proposed funding for the project.
- c) Explain the proposed procurement model for the project.

2. Background

2.1. The airfield was originally used for seaplane training during the First World War and then as an operational military base until 2006. The Homes and Communities Agency (HCA) has since acquired the airfield from the Maritime and Coastguard Agency and plans to invest in improvements to the runways and associated facilities. The runway upgrade will support an application for a commercial licence for the airfield, allowing for a broader range of aviation uses.

2.2. The airfield and its related aviation use is a significant feature of the Solent Enterprise Zone at Daedalus and its retention will provide a competitive offer for the wider development of the site.

2.3. The HCA is working with interested parties (the Solent Local Enterprise Partnership, Hampshire County Council, Fareham and Gosport borough councils, and existing aviation users) to support the continuation and

development of the main runway. The HCA is seeking £1.5million of investment to upgrade the runway, which will provide extra confidence to both existing aviation users and future aviation related businesses considering locating at the Solent Enterprise Zone.

3. Finance

- 3.1. In August 2013, Fareham Borough Council submitted an application to the Solent Local Enterprise Partnership (LEP) to request an allocation from the Growing Places Fund for £1.5 million to fund the upgrade of the runway. The application, which has now been approved in principle by the Solent LEP Board, also requested funds (£1.5 million) to build a new hangar facility at the airfield to support aviation use for either existing or new tenants.
- 3.2. The HCA has committed £5.3 m to build an Innovation Centre at the Solent Enterprise Zone. This funding is dependent on a build completion by March 2015 and that both the hangar and runways works are undertaken in parallel. Therefore there is a financial interdependency placed upon the runway upgrades with the wider scope of works to develop the Solent Enterprise Zone.
- 3.3. Fareham Borough Council will carry the responsibility for repaying any Growing Places Funding for the runway upgrade, the repayment of the funding being based on the projected income derived from both the Innovation Centre and Hangar developments.
- 3.4. Hampshire County Council is not providing any of the funding required for the runway upgrade, and will undertake the works on the basis that all County Council costs are recovered through an appropriate management fee.

4. Proposed Procurement Model

- 4.1. It is proposed that Hampshire County Council acts as the delivery partner for HCA and Fareham Borough Council for the runway upgrade, procuring and managing the contractor for the execution of the works.
- 4.2. Hampshire County Council officers involved in the project are in agreement with the partners that they are able to lead on project managing the runway upgrade works due to their in-house expertise and resources, and will procure the runway surface works using the SE7 Regional Highways Framework on behalf of Fareham Borough Council. The proposed Joint Working Agreement will specify this arrangement between Hampshire County Council and Fareham Borough Council and clarify the roles and responsibilities of both partners. A funding agreement to cover any works procured on behalf of Fareham Borough Council will also need to be in place.
- 4.3. Following the completion of the design requirements and contract preparations by Hampshire County Council officers, an invitation to tender will

be issued in December 2013 and on-site works will commence in March-April 2014.

5. Recommendations

- 5.1. That Hampshire County Council fulfils the role of delivery partner, with Fareham Borough Council and the Homes and Communities Agency, to deliver the upgrade of the main runway at Daedalus.
- 5.2. That Hampshire County Council procures and manages the contract for the runway upgrade on behalf of Fareham Borough Council, which is funding the project.
- 5.3. That Hampshire County Council enters into appropriate contractual arrangements, including a Joint Working Agreement with Fareham Borough Council, works, contracts and service arrangements, to progress this project.
- 5.4. That the Director of Economy, Transport and Environment be authorised to finalise the terms of the contractual agreement with Fareham Borough Council, in consultation with the Head of Legal Services.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	no
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u> Solent Enterprise Zone (Cabinet Report)	<u>Reference</u> 4383	<u>Date</u> 29 Oct 2012
Direct links to specific legislation or Government Directives		
<u>Title</u>	<u>Date</u>	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1 The proposals in this report have been developed with due regard to the requirements of the Equality Act 2010, including the Public Sector Equality Duty and the Council's equality objectives. An assessment of the impacts in this service area can be found at <http://documents.hants.gov.uk/equality-impact-assessments/ete/3-3-regeneration.doc>
- 1.2 It is considered that the issues covered by this report will not have impacts requiring further specific actions by the Council above those already established in its existing policies and working procedures.

2. Impact on Crime and Disorder:

- 2.1. Not applicable.

3. Climate Change:

- 3.1. How does what is being proposed impact on our carbon footprint / energy consumption?

The proposed development on the Solent Enterprise Zone is expected to reduce the carbon footprint in Hampshire as a result of local residents in the Gosport and Fareham districts being able to access employment more locally than at present, thereby reducing overall travelling distances from home to work.

- 3.2. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

By developing a longer-term energy management strategy for the airfield with the aviation users, and encouraging affiliation to the Airport Operators Association CO2 on the ground reduction programme, which aims to reduce aircraft emissions.