

Divisions Affected – Banbury Calthorpe

DELEGATED DECISIONS BY CABINET MEMBER FOR TRANSPORT MANAGEMENT

4 September 2025

Banbury – Cherwell Street Improvement Scheme - Construction

Report by Director of Environment and Highways

RECOMMENDATION

The Cabinet Member is **RECOMMENDED** to

- a) **Delegate authority to the Director of Environment and Highways in consultation with the Head of Legal and Governance (Deputy Monitoring Officer) to:**
 - (i) **finalise the target cost and programme for the construction of the Cherwell Street Improvement Scheme; and**
 - (ii) **to award the NEC 4 Engineering and Construction Contract for the Cherwell Street Improvement Scheme to M Group Limited, pursuant to the Pagabo Civils and Infrastructure Framework (Lot 1).**

Executive Summary

1. The Council Constitution states that key decisions are required prior to entering into any contracts with a capital spend of over £2 million.
2. This report recommends that the Cabinet Member delegates authority to the Director of Environment and Highways to finalise the target cost and programme for the Construction Phase and enters into a contract with M Group Limited under the NEC 4 Option C Engineering and Construction Contract for the Cherwell Street Improvement Scheme, in line with the Constitution and ensuring the necessary Authority is in place.

Background

3. The Cherwell Street Improvement Scheme encompasses the following benefits:
 - a) Improve bus journey times and service reliability on Cherwell Street during peak times by optimising traffic signals.

- b) Improve access for buses at the George Street junction with Cherwell Street, and the Cherwell Street junction with Bridge Street, by implementing a longer running lane along Cherwell Street for left-turning into Bridge Street (west).
 - c) Improve pedestrian crossings at the Cherwell Street / Bridge Street junction.
 - d) Improve pedestrian safety along Bridge Street (east), where cars currently mount the footway to access the left-turning lane for westbound traffic, via lane width adjustments and removal of traffic islands.
 - e) Improve safety at the Cherwell Street / George Street junction, with an additional crossing on the northern arm of this junction and a larger pedestrian island.
 - f) Implement new line markings, and wider traffic lanes.
 - g) Complement other improvements planned for Banbury including the extension of Tramway Road that will provide better access to Banbury Rail Station.
4. The Construction phase is anticipated to commence in Winter 2025. In order to meet the funding deadlines, this report is to request that delegated authority is given to the Director of Environment and Highways to agree the target cost and enter into a construction contract in a timely manner based on Council policy, regulations and professional judgement.
 5. The contractor's estimated final cost of the Construction contract is **£2.8m (including risk and contingency)**. The contractor is expected to submit the price and programme for the works on 10th September 2025.

Key Issues

6. Two consultations were conducted to gather feedback and help to develop this option. The first consultation in March 2024 received 120 replies and revealed strong support for the objectives of the scheme.

The second consultation in February 2025 was an opportunity to present the progress made on the design and updated transport modelling data that demonstrated the impact of the scheme on journey times for buses and other vehicles. This consultation received 198 responses and showed a decline in support for the objectives. Feedback also highlighted concerns such as potential increases in congestion, delays, and air pollution, and perceived minimal benefits for bus users relative to the negative impacts on general traffic.

7. All feedback was reviewed alongside comments from the Road Safety Audit stage 2 and OCC Technical Assurance teams, transport modelling data and council policies, to refine the design and to balance the needs of all road users and enhance the effectiveness of this scheme.

8. The amended design was presented to various stakeholder groups including councillors, cabinet members, active travel groups and Stagecoach Group. The general reaction and sentiment to the design changes was positive, with feedback including appreciation that the project team had listened to and addressed the concerns raised by the stakeholders.
9. The results of the consultation and subsequent amended design were presented to the cabinet member for Transport Management at the decision making meeting on 4th September 2025, as a separate item before this decision item.
10. A Certificate of Lawfulness for a Proposed Use or Development was granted for the scheme on 24th April 2025 by Cherwell District Council. This is included in Appendix A ([Decision Notice_2500790CLUP](#)).

Financial Implications

11. There are no new budgetary implications. The budget for the project has already been approved through Full Business Case. The total capital funding allocated to this project is **£3.5m**. This comprises of £2.3m Bus Service Improve Plan (BSIP) funding and £1.2m of Section 106 contributions.

Comment checked by: Rob Finlayson, Strategic Finance Business Partner
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Procurement and Legal Implications

13. The Construction Works are to be commissioned through the Pagabo Framework Lot 1 via a direct award, to M Group Ltd, using the NEC4 ECC Option C Form of contract.
14. When procuring goods, services or works, the procurement must be conducted in accordance with the Council's Contract Procedure Rules and, where applicable, the Procurement Act 2023 (the Act). The Act permits contracting authorities to continue calling off contracts under Framework Agreements that were established under the Public Contracts Regulations 2015, such as the Pagabo Civils and Infrastructure Framework.
15. The total value of the proposed contract for the Construction Works is below the works threshold under the Act which is £5,372,609 (inc. VAT). The contract is therefore classified as a below threshold contract that is not subject to the full requirements of the Act.
16. A NEC4 Engineering and Construction Contract Option C Form of Contract is currently being finalised, with wording, pricing and programme to be agreed between Oxfordshire County Council and M Group Ltd. Under the contract, the

Contractor will carry out and complete the construction of the Cherwell Street Improvement Project. The limit of liability is still to be approved. If agreement is reached on a target price, wording and programme, the Council will award the contract and issue the contract for execution.

17. Oxfordshire County Council had appointed Mott Macdonald Limited to provide the design for the works, which has now been completed. Mott Macdonald Limited will also provide design support services during the construction phase.
18. The Council will be delivering the Cherwell Street Improvement Project in its capacity as the highway authority for Oxfordshire under the Highways Act 1980.

Comments checked by:

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Staff Implications

19. There are no staff implications.

Risk Management

20. There are no risk management implications.

Paul Fermer
Director of Environment and Highways

Annex: Appendix A ([Decision Notice_2500790CLUP](#)).

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