

TEWKESBURY BOROUGH COUNCIL

Report to:	Council
Date of Meeting:	20 February 2018
Subject:	Government Housing Infrastructure Fund (HIF) - Funding Award for Bridge Over Rail Line at Ashchurch
Report of:	Rob Weaver, Deputy Chief Executive
Corporate Lead:	Mike Dawson, Chief Executive
Lead Member:	Cllr E J MacTiernan, Lead Member for Built Environment
Number of Appendices:	1

Executive Summary:

In July 2017, the Government - via the Ministry of Housing, Communities & Local Government (formerly DCLG) - launched the £2.3 billion Housing Infrastructure Fund (HIF). The fund was launched to support housing delivery through the funding of vital physical infrastructure e.g. roads and bridges, with the opportunity to unlock 100,000 homes nationally.

The fund was split into two key areas:

1. Forward funding (larger schemes upto £250 million)
2. Marginal funding (schemes upto £10 million).

Applications were sought from Councils to bid for the funds by 28 September 2017.

To support the delivery of the JCS housing numbers, Tewkesbury Borough Council entered a number of bids. A marginal funding bid was submitted to help deliver a bridge over the railway line at Ashchurch, to support the development strategy of the wider Ashchurch area (masterplan).

A further bid under the forward funding section for the M5 J9 improvements and A46 off-line was also submitted. As yet, the results of these bids have not been announced.

The bid award is for £8,132,465 which was based upon unlocking development potential in the area and justified on 826 homes being delivered. The development opportunities included the potential for development of the MOD Ashchurch site.

The housing delivery will help meet the Tewkesbury housing JCS shortfall of approximately 2,500 homes.

Attached is the initial Government press release also see link below:

<https://www.gov.uk/government/news/866-million-investment-to-help-unlock-potential-200000-new-homes>

Recommendation:

1. To **NOTE** the funding award of £8,132,465 to support delivery of a bridge over the railway at Ashchurch facilitating housing delivery.
2. To **NOTE** that Officers will continue work to develop a delivery project in relation to the bridge and related development, in discussion with the relevant stakeholders including Network Rail, Gloucestershire County Council, landowners and developers.
3. To **DELEGATE AUTHORITY TO THE EXECUTIVE COMMITTEE** to make all necessary decisions with regard to the Government funding of £8,132,465 and to receive further status reports as the project progresses.

Reasons for Recommendation:

To put in place arrangements to make all necessary decisions with regard to the Ministry of Housing, Communities and Local Government funding of £8,132,465.

Resource Implications:

There are no additional resource implications arising for the Borough Council specifically in relation to this successful bid (any resource requirements will be funded directly from the financial award).

Delivery of the wider Ashchurch masterplan and associated infrastructure to deliver the development strategy, will require resource. A full review of detailed resource requirements is being undertaken as part of the broader project.

Members will also be aware that the Council is in receipt of Local Sites Investment Funding (LSIF) and Homes England (formerly HCA) funding due to the recognition of this area as a housing zone. Both sources of funding will assist in the delivery of the broader development plan.

Legal Implications:

The funding has been awarded under Section 31 of the Local Government Act 2003. There are a small number of grant conditions which are set out in the resource implications section below.

In addition to the management/governance structure proposed to be set up, it would be advisable to enter into appropriate partnership agreements with partner organisations such as the County Council. The agreement would identify roles and responsibilities of each partner, the timetable for delivery of specified tasks and set out the arrangements for sharing costs, liabilities and other risks.

Legal implications will be considered carefully as the project commences ensuring that relevant legislative requirements are met such as the procurement rules and state aid impact.

Risk Management Implications:

Whilst the bid has been successful, details of the offer have not yet been communicated in full to the Council. The bid request stated a flow down of funding starting with £200,000 in 2017/18 to assist with preparation of the early work on the strategy for delivery of the masterplan.

Many details are yet to be finalised - cost of associated road structure, land ownership, associated development, delivery methodology etc. Assessment of these details will form a key part of the risk management and mitigation processes.

Performance Management Follow-up:

A detailed management structure will be put in place with updates presented to Executive Committee.

Environmental Implications:

As part of the planning application, any environmental implications will be considered and addressed accordingly.

1.0 INTRODUCTION/BACKGROUND

1.1 In July 2017, the Government announced the £2.3 billion Housing Infrastructure Fund (HIF) to support delivery of the necessary infrastructure roads, bridges, services. The fund was split as follows:

1. Forward Funding (larger bids upto £250 million)
2. Marginal Viability Funding (for bids upto £10 million).

1.2 The bidding paperwork stated:

'Funding will be awarded to local authorities on a highly competitive basis, providing grant funding for new infrastructure that will unlock new homes in the areas of greatest housing demand.'

For the larger forward fund the uppermost tier of local authorities could bid, and for the marginal viability fund, single and lower tier local authorities could bid.

1.3 This opportunity for funding support tied in with the ongoing development strategy for Ashchurch housing zone. Tewkesbury Borough Council had been awarded funding to develop a masterplan/development strategy for the area to help meet the Tewkesbury housing shortfall in the JCS of 2,500 homes.

2.0 THE BIDS

2.1 To support the overall JCS, a number of bids were submitted including:

1. M5 J10 improvements – bid submitted by Gloucestershire County Council for circa £230million;
2. M5 J9 and the A46 off-line – bid submitted by Gloucestershire County Council for circa £100million;
3. bridge over the railway at Ashchurch – Tewkesbury Borough Council £8,132,465; and
4. link road between Innsworth and Twigworth strategic allocations £7,500,000.

In addition a bid was submitted by Cheltenham Borough Council for £3,000,000 to support development within Cheltenham and this has also been awarded.

2.2 Further information on the other bids will be given in the following weeks/months.

3.0 ASHCHURCH NEW BRIDGE DETAILS

3.1 As part of the evidence gathering for the development strategy, transport planning modelling has taken place and this reviewed various options of how housing growth could be delivered within the area.. This work tested the concept of a new bridge over

the railway and the outputs indicated that without such a new access point, development capacity would be severely restricted.

3.2 The specific details of the bridge location and length of road supporting this new bridge etc. are to be defined as the project develops.

3.3 Initial discussions took place with Network Rail at the time of bid submission and were met with a positive response and support. Network Rail highlighted its preference would be to close the existing Northway level crossing from the aspect of safety and a new bridge would certainly assist in this process. To this effect it is highly likely Network Rail will support the project, including a financial contribution. Further discussions are to take place to confirm the detail.

4.0 MANAGEMENT GOVERNANCE ARRANGEMENTS

4.1 Following approval, further information in relation to the management and governance of the project will be submitted to the Executive Committee, including Terms of Reference and the composition of those governance arrangements.

5.0 OTHER OPTIONS CONSIDERED

5.1 None

6.0 CONSULTATION

6.1 None

7.0 RELEVANT COUNCIL POLICIES/STRATEGIES

7.1 Joint Core Strategy
Emerging Tewkesbury Borough Plan (2011-2031)

8.0 RELEVANT GOVERNMENT POLICIES

8.1 National Planning Policy Framework
National Planning Practice Guidance

9.0 RESOURCE IMPLICATIONS (Human/Property)

9.1 In relation to the delivery of this specific project (development of the bridge) there are no additional resource implications arising for the Borough Council as a direct result of this successful bid. Any resource requirements will be funded directly from the financial

award. The monies will be paid to the Council on a profiled basis every six months and will fall under the remit of Section 31 grants. A small number of grant conditions will apply to cover the following:

1. the money is to be spent on capital;
2. the scheme will be delivered by an agreed date (otherwise, the Government can recover any unspent funding);
3. any costs saved or recovered are to be retained by the Local Authority and used for further housing delivery; and
4. the Local Authority will assure Government on delivery through regular progress reports.

10.0 SUSTAINABILITY IMPLICATIONS (Social/Community Safety/Cultural/ Economic/ Environment)

10.1 Such details will be finalised as the project develops.

11.0 IMPACT UPON (Value For Money/Equalities/E-Government/Human Rights/Health And Safety)

11.1 None

12.0 RELATED DECISIONS AND ANY OTHER RELEVANT FACTS

12.1 None

Background Papers: None

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Appendices: Appendix 1 – Government Press release