

## **APPENDIX C: NEW ROAD & PEDESTRIAN BRIDGE ACROSS RIVER AVON (Destructor Bridge)**

### **RIF BID OVERVIEW**

#### Background

Provision of a new 2-way vehicular bridge crossing the River Avon, to replace the existing Destructor Bridge, will accelerate delivery of phase 1 new residential units on the Bath Western Riverside site.

The Corporate Agreement between Crest and B&NES contracts the Council to contribute £1.8m towards Destructor Bridge as part of the £11.8m public sector investment in BWR.

#### Deliverability

The Section 106 Agreement linked to the planning consent stipulates that the Destructor Bridge needs to be completed by the occupation of the 650<sup>th</sup> unit and this is reflected within the public sector funding arrangement set out in the Corporate Agreement. The current programme forecast to meet this obligation is 2018, but bringing forward the bridge construction to 2013 accelerates the overall construction programme on this site and adjacent development sites.

The developer's cashflow programme for implementation of the bridge would link the implementation to the 650<sup>th</sup> occupation and have a negative impact upon the early delivery of housing (particularly affordable homes).

#### Strategic Objectives

The Bath City Riverside Enterprise Area is central to the Bath Spatial Strategy set out in the draft B&NES Core Strategy which requires:

- 5,700 jobs
- 6,000 new homes
- Net increase 75,000 – 100,000 sq m of office space

In total the Enterprise Area has the capability of delivering:

- 3,000 new homes
- Up to 9,500 jobs
- 140,000 sq m of gross new office space
- 52,000 sq m of retail, leisure and hospitality space

BWR is a key site within the Enterprise area which includes:

- 17 hectares of brownfield land
- Deliver a large volume of mixed tenure, size and type of housing
- Provision of extensive infrastructure to include new bridge crossings, open space and riverside walks

The West of England Local Investment Plan acknowledges the need for investment in strategic infrastructure to facilitate the release of sites within the Enterprise Area.

## Outputs

Improving the movement and connectivity between the Upper and Lower Bristol Roads will support the delivery of a total of 2300 residential units. It will provide improved community connectivity (in particular for pedestrian and cycle linkage between communities and amenities, including key routes to school).

Early provision of the bridge will support HCA commitment to fund additional affordable housing earlier to bring it within the 2011 – 2015 timeframe for HCA managed grant funding (National Affordable Housing Programme).

BWR has outline planning permission with a detailed planning consent for phase 1 of the site which is already under construction:

- Residential – 2,300 units ( 25% affordable )
- Commercial – approx. 7,500sqm
- Student Accommodation
- 1 FE Primary School
- 420 jobs

## Drawdown and Payback

It is proposed to draw down £1.7m of RIF funding in tranches between 2013/14 and 2014/15 to fund the construction of the new bridge.

| Source of Repayment | Risk Level | Definition                                                                                                                                                      | Estimated Value (£k) | Total |
|---------------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-------|
| BWR Phase 1         | 1          | S106 obligation triggered by occupation of the 650 <sup>th</sup> dwelling. CA between Crest/B&NES provide contract mechanism to contract repayment of RIF grant | 1,700                | 1,700 |

### Risk Levels

- 1: Certain – Contracted Obligation or direct S106 – 100% likelihood
- 2: Probable – Secured via S106 or ability to contract obligation – 60-99% likelihood
- 3: Possible – EDIF/CIL assessment that funds would be sufficient to repay – 40-99% likelihood
- 4: Uncertain/undefined – Council may be exposed to a Capital Risk

The planning section 106 Agreement provides a contractual commitment on Crest Nicholson to repay the cost of the bridge on completion of the 650<sup>th</sup> housing unit. Full repayment is expected in 2017/18.

## Downside Position

Failure to utilise RIF to fund Destructor Bridge would risk;

- Reduction in housing outputs as developer cash-flow is focussed upon infrastructure.
- Risk to delivery of B17, 50 HCA funded affordable homes