

Single Member Cabinet Decision

Executive  
Forward Plan  
Reference**E3575****Bath Western Riverside Additional Homes England  
Housing & Infrastructure Funding (HIF)**

<b>Decision maker/s</b>	<b>Cllr Matt McCabe, Cabinet Member for Built Environment, Housing and Sustainable Development</b> <b>Cllr Mark Elliott, Cabinet Member for Resources</b>
<b>The Issue</b>	<p>The Council has been awarded an additional £18,202,421 via the existing Homes England Housing &amp; Infrastructure Funding (HIF) funding agreement. The funding will further unlock the site and enable the delivery of site-wide remediation and infrastructure on the Bath Western Riverside Phase 2 site to facilitate future housing delivery by the Council and Berkeley Homes (the landowners).</p> <p>The Council has already decommissioned gas holders and rationalised the gas network and has a continuing role using external grant funding to secure delivery of this strategically important regeneration project in the heart of the Bath.</p>
<b>Decision Date</b>	2nd January 2025
<b>The decision</b>	<ol style="list-style-type: none"><li>1. To increase the Provisional Capital programme item for Bath Western Riverside to £44,192m to incorporate additional external funding from Homes England</li><li>2. To delegate the approval to the Director of Capital &amp; Housing Delivery in consultation with the S151 Officer to:<ol style="list-style-type: none"><li>i. Enter funding agreements with Homes England to fund infrastructure and land investment at Bath Riverside former gas lands and the Midland Road site.</li><li>ii. Move provisional capital approved to full approval upon entry to funding agreements and commitment to proceed on infrastructure expenditure.</li></ol></li></ol>

	<p>iii. Enter back-to-back funding arrangement with St William (Berkeley Homes) to deliver site-wide remediation and infrastructure provision.</p>
<b>Rationale for decision</b>	<p>In 2019, the Council intervened at Bath Riverside Phase 2 via land acquisition (Decision 3168) and infrastructure provision to facilitate and unlock the delivery of housing. Utilising the WECA Land Acquisition Fund, the Council acquired the three large gas holders in the centre of the site, which is approximately 30% of the BWR Phase 2 land (4.0ac). National Grid historically owned the surrounding land which has now been transferred to St William (Berkeley Homes).</p> <p>Under Decision 3168, the Council committed to gas rationalisation and associated enabling works on the BWR Phase 2 land, utilising Homes England Housing &amp; Infrastructure Funding (HIF). Practical completion of the gas rationalisation works was achieved in October 2023.</p> <p>The Stage 1 Land Agreement between the Council and St William Homes enables a land swap between the two parties. The land swap provides the parties with developable plots of land. The land swap Notice was served by St William Homes on 1st November 2024 and completed on the 6th December 2024. (Appendix 1 – Site plan)</p> <p>The first phase of works removed the network of live gas pipes across the site, the old gasworks site requires site wide remediation and infrastructure works and the additional Homes England funding will enable the site to be remediated to clean cover to enable housing delivery to commence.</p> <p>Berkeley Homes will deliver the Project works for both landowners. Berkeley Homes are experienced in the regeneration of underutilised gasworks and gasholder sites. All grant funding and works will meet Subsidy Control and Procurement rules.</p> <p>Phase 2 of the gas lands residential development is accessed from the Midland Road, currently this section of road remains unadopted. To unlock the access into the site the council will complete a partial adoption. Following legal advice and CCTV drainage survey the Council will complete adoption of a section of road to enable a residential site access. The project will fund costs of highway adoption in advance of sewer adoption. (Appendix 2 Highways Plan)</p> <p>The project will deliver against a number of key Council priorities: -</p> <ol style="list-style-type: none"> <li>I. Creating and developing a better quality of life - facilitating high quality urban design, built environment and distinct sense of place where communities can thrive.</li> <li>II. Create vibrant, diverse communities with a range of accommodation to meet needs of local people.</li> <li>III. Improving the local environment - regenerate 12.7 acres of brownfield land, incorporating green infrastructure and improved access to the river and tow path.</li> <li>IV. Minimise carbon emissions by securing low carbon housing development with low energy needs. Printed on recycled paper</li> </ol>

	<p>V. Leverage the site's natural assets and inner-city location to promote use of sustainable travel modes.</p> <p>The Council's objectives are:</p> <p>VI. Achieve comprehensive development in line with the Core Strategy Placemaking Plan policy SB8.</p> <p>VII. Deliver homes focussed upon economically active demographic occupiers within the Bath city.</p> <p>VIII. Continue to diversify tenure options within the city's housing supply.</p> <p>IX. Maximise the provision of affordable housing given the viability challenges presented.</p> <p>IX. Use external grant funding to support Council objectives, recycling value to deliver onsite affordable housing.</p> <p>XI. Unlock development potential of waste site for delivery via the Council's wholly owned company, as part of the future land supply pipeline.</p> <p>This site is a central plank of B&amp;NES 5-year housing supply under the Local Plan Partial Update. The significant remediation and infrastructure investment required to unlock the site renders proposed residential development unlikely without public intervention. The Homes England award will provide funding for remediation and infrastructure works to unlock the land for redevelopment.</p>
<b>Financial and budget implications</b>	<p>The Council's adopted capital programme 2024/25 made a provisional allowance of £4,259M for phase 2 of Bath Riverside subject to confirmation of grant funding from Homes</p> <p>Following engagement with Home England an additional £18,202,421 of grant is awarded to the Local Authority via the existing Homes England Housing &amp; Infrastructure Funding (HIF) funding agreement. All monies to be spent by March 2026.</p> <p>This would increase the capital budget to £44,192,501. The project now draws together the external funding sources to enable the Council to take a strategic leadership role in the delivery of the remaining homes, infrastructure and outcomes.</p> <p>The council will enter a Deed of Amendment to the existing Homes England Housing Infrastructure funding agreement to enable the additional grant award.</p> <p>An allowance internal and external resources to support the project has been included in the Homes England funding award.</p> <p>The Council will need to consider how initial funding of land and enabling infrastructure recycles for the purposes of delivering additionality to the provision of affordable homes as part of the financial management of the project.</p>
<b>Issues considered</b>	Sustainability; Human Resources; Property; Equality (age, race, disability, religion/belief, gender, sexual orientation); Human Rights; Corporate; Health & Safety; Other Legal Considerations
<b>Consultation undertaken</b>	Section 151 Finance Officer; Chief Executive; Monitoring Officer; Staff; Other B&NES Services and Directors

<b>How consultation was carried out</b>	As set out in the report.
<b>Other options considered</b>	<p>Do nothing – The Council leaves it to the market to bring the land forward once viable to do so. Given the complexity and expense of up front infrastructure and remediation costs, this is likely to continue to stall development for a number of years.</p> <p>Do not accept the funding award, the council will be reliant upon private landowners and the council to fund the remediation and infrastructure works and this introduces an unacceptable commercial risk on the council.</p>
<b>Declaration of interest by Cabinet Member(s) for decision:</b>	None
<b>Any conflict of interest declared by anyone who is consulted by a Member taking the decision:</b>	None

<b>Name and Signature of Decision Maker/s</b>	<p>Councillor Matt McCabe Cabinet Member for Built Environment and Sustainable Development Bath and North East Somerset Council</p> <p>Councillor Mark Elliott Cabinet Member for Resources Bath and North East Somerset Council</p>
<b>Date of Signature</b>	<p>2nd January 2025</p>
<p><b>Subject to Call-in until 5 Working days have elapsed following publication of the decision</b></p>	