

REPORT TITLE: COMMUNITY INFRASTRUCTURE LEVY – ALLOCATION OF FUNDS TO DURNGATE FLOOD DEFENCE SCHEME WINCHESTER

5 JULY 2017

REPORT OF PORTFOLIO HOLDER: CLLR BROOK - BUILT ENVIRONMENT

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WARD(S): ST BARTHOLOMEW/ST MICHAEL

PURPOSE

In June last year the Council agreed a protocol for the allocation of its retained Community Infrastructure Levy funds through the development of rolling 3 year programme (CAB2529) which would align with Council's annual budget setting process. A report setting out the proposed programme, which will recommend schemes which that can be funded using CIL income, will be considered by Cabinet in September.

However one of the schemes which has been identified as potentially suitable for CIL funding is the Durngate flood alleviation works which is the second phase of enhanced flood protection for the city. The first phase of the North Winchester Flood Alleviation scheme was completed earlier this year.

It is proposed that the works will be jointly funded by the Environment Agency and City Council and Hampshire County Council's Engineering Consultancy will design procure and supervise the scheme delivery as they have for Phase 1. The total costs is estimated to be c£720k including design fees and currently funding of around £420k has been identified (£273k of Grant in Aid funding drawn down by the Environment Agency and £147k Council – residual funds available from phase 1 of the North Winchester Flood Alleviation scheme). However until funding has been put in place it will not be possible for the scheme to be put out to tender and so considering this project as part of the CIL report in September will cause significant delays. In order to avoid this and to move the project forward as quickly as possible, it is recommended that up to £300k of CIL funding be agreed now as a contribution to the overall costs of the flood defence scheme.

RECOMMENDATIONS:

1. That £300,000 of the City Council's General Fund share of Community Infrastructure Levy (CIL) be allocated to the second phase of the North Winchester Flood Alleviation scheme (Durngate flood protection works)..
2. That Hampshire County Council's Engineering Consultancy team design, procure and supervise the scheme's delivery.

IMPLICATIONS:

1 COUNCIL STRATEGY OUTCOME

- 1.1 Improving Winchester's flood defences accords with the Environment outcome and in particular: Work with strategic partners to continue to develop flood resilience measures.

2 FINANCIAL IMPLICATIONS

- 2.1 The recommendation proposes allocating up to £300,000 of the Council's received CIL income to support the delivery of the project. Total CIL income received and retained by the City Council General Fund to the end of May 2017 is c£1.6m. To date £50k of these funds have been committed as a contribution to the cost of the Jubilee Hall car park extension in Bishop's Waltham and £25k for works to improve green infrastructure at Whiteshute Ridge, Winchester.
- 2.2 The total cost of this project is approximately £720k. £273k will be provided through Grant in Aid funding drawn down by the Environment Agency, £148k by the Council from funds that were unused from the first phase of the North Winchester Flood Alleviation scheme with £300k funded by CIL.
- 2.3 The scheme has a lifetime of about 30 years and will require little or no maintenance. Annual inspections can be met by existing staff resources.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 No legal implications specifically. Procurement of the scheme will be undertaken by Hampshire County Council.

4 WORKFORCE IMPLICATIONS

- 4.1 None.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 There will be some maintenance requirements depending upon the nature of the proposed scheme which has yet to be fully designed. It is anticipated that these will be met by the Council's Special Maintenance team.
- 5.2 The scheme will have a 30 year design life and therefore may require some replacement work to be undertaken in the future.

6 CONSULTATION AND COMMUNICATION

- 6.1 Consultation on the North Winchester Flood alleviation scheme has been undertaken in the form of exhibitions held at the Winchester School of Art and engagement with stakeholders will continue. The City Council are the landowners in relation to the Durngate Scheme and will liaise with tenants

who might be affected by the scheme. Full liaison with other effected land owners including the Winchester School of Art will be undertaken.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 The provision of the second phase of the North Winchester Flood Alleviation scheme will help to further reduce the risk of flooding in this part of the city which will be of benefit to people who live or visit the in the area, businesses based in the locality and the wider economy of the Winchester.
- 7.2 Ecological issues are being considered by the Environment Agency as part of the project team.

8 EQUALITY IMPACT ASSESSMENT

- 8.1 N/A

9 RISK MANAGEMENT

Risk management issues will be considered by the project team as the design progresses.

Risk	Mitigation	Opportunities
<i>Property</i>		
<i>Community Support There is risk that the public, businesses and other interested parties may not understand the works being planned and will be affected by disruption caused at the constriction phase</i>	Consultation has been undertaken in connection with the whole flood alleviation scheme (see above) and further information will be provided to any parties directly affected by the phase 2 works.	
<i>Timescales Delay in securing funding for the scheme could result in further flood events in this part of the city.</i>	Bring forward funds to facilitate the delivery of the scheme as quickly as possible including a contribution from CIL.	
<i>Project capacity</i>		
<i>Financial / VfM</i>		
<i>Legal</i>		
<i>Innovation</i>		
<i>Reputation There may be reputational damage to the Council if the second phase of the flood alleviation scheme is not completed in a timely</i>	The Council helps to fund the second phase of the flood alleviation scheme.	

<i>manner and flood events occur in future.</i>		
<i>Other</i>		

10 SUPPORTING INFORMATION:

- 10.1 At Cabinet on 8 June 2016 a spending protocol for CIL was agreed and was summarised in table 1 of that report (CAB2807). This involves a rolling 3 year programme of schemes with spending commitment to projects in year 1 and indicative funding commitments to the projects in years 2 and 3. A report setting out the proposed programme, which will recommend schemes which that can be funded using CIL income, will be considered by Cabinet in September.
- 10.2 One project which has come forward for possible CIL funding is the second phase of the North Winchester Flood Alleviation scheme. The first phase was completed earlier this year and was jointly funded by the Environment Agency, University of Southampton (Winchester School of Art) Hampshire County Council and City Council. However there were insufficient funds available at the time to complete the second phase (Durngate works) which is estimated to cost about £720k.
- 10.3 The Environment Agency has committed £273k to the second phase through Grant in Aid funding and the Council can provide £148k from its funds which were not used in connection with the delivery of phase 1. A contribution of £300k from the Council's District Wide CIL funds would enable the scheme to be delivered.
- 10.4 The agreed CIL Spending Protocol gives priority to infrastructure in the Regulation 123 List and Infrastructure Delivery Plan (IDP). The IDP was updated in connection with the Winchester District Local Plan Part 2 – Development Management and Site Allocations (LPP2) - and this builds on the work carried out before for the Local Plan Part 1 Joint Core Strategy and CIL charging schedule.
- 10.5 The up-date refers to flood risk in the city and, more specifically, cites the need to provide the Flood Alleviation Scheme for North Walls Park/ Park Avenue, Winchester Town. It explains that this scheme was developed in response to recurring flood events (winter 2013/14 was the most recent incident). It goes on to say that the works are not necessary for the delivery of the proposed LPP2 allocations, nor do they affect SHLAA sites which count towards the 5 year land supply. However, they are important infrastructure work for existing development and to reduce the risk to the area of Silver Hill. The scheme would protect River Park Leisure Centre, St Bede's CE Primary School, the University of Southampton (School of Art), residential properties in Park Road and reduce the risk of flooding in other residential streets such as Middlebrook Street, Upper Brook Street and the High Street.

- 10.6 Furthermore the flood alleviation scheme also accords with other criteria set out in protocol in so much as it would help deliver the strategic objectives of the Local Plan, contribute towards the delivery of wider Council objectives and the delivery of sustainable communities. It represents a good example of a jointly funded project being implemented with a strategic partner (the EA) which, without CIL funding, may be unable to proceed.
- 10.7 It is also understood that post implementation of the phase 2 works the EA will be able to review the flood zone category, which is based on risk, for this part of the city and it may be possible for it to be lowered. If this did occur it would support the Centre of Winchester Regeneration process (LPP2 Policy Win4) by potentially reducing building costs on site as flood mitigation measures could be revised which would be likely to have a positive effect on the viability of any redevelopment schemes.
- 10.8 In conclusion therefore it considered that the second phase of the North Winchester Flood Alleviation scheme is exactly the type of infrastructure that should be supported by District wide CIL and accords with the protocol for allocating funds agreed last year. Without a contribution from CIL the Durngate works may not be delivered, or will be significantly delayed, which could expose this area of the city to further flooding which would have a range of negative impacts on Winchester. The measures would also have potentially positive effects in terms helping realise Local Plan aspirations for the improvement of the city centre. It is therefore recommended that up to £300k be allocated now as a contribution to the flood defence scheme which will enable it to proceed this year without further delay.

11 OTHER OPTIONS CONSIDERED AND REJECTED

- 11.1 The alternative is to not provide a CIL contribution to the costs of the flood alleviation scheme and these funds could be used for other infrastructure projects elsewhere but there is a real risk that the Durngate works would not be able to proceed or at least not in a timely way. In the absence of alternative funding streams to complete this project the option of not providing CIL funds was rejected.
- 11.2 Other sources of funding have been considered including further Grant in Aid funding but these are not available and as WCC is the landowner for the remaining phase, and as the main beneficiary of the scheme, it is reasonable to expect funding to be provided using the Council's resources.

BACKGROUND DOCUMENTS:-**Previous Committee Reports:-**

CAB2529(LDF) Community Infrastructure Levy: Adoption of Draft Charging Schedule and Information on CIL charge 4th December 2013.

CAB2569 Community Infrastructure Levy – Approval of Regulation 123 List, Instalments Policy and CIL Allocations.

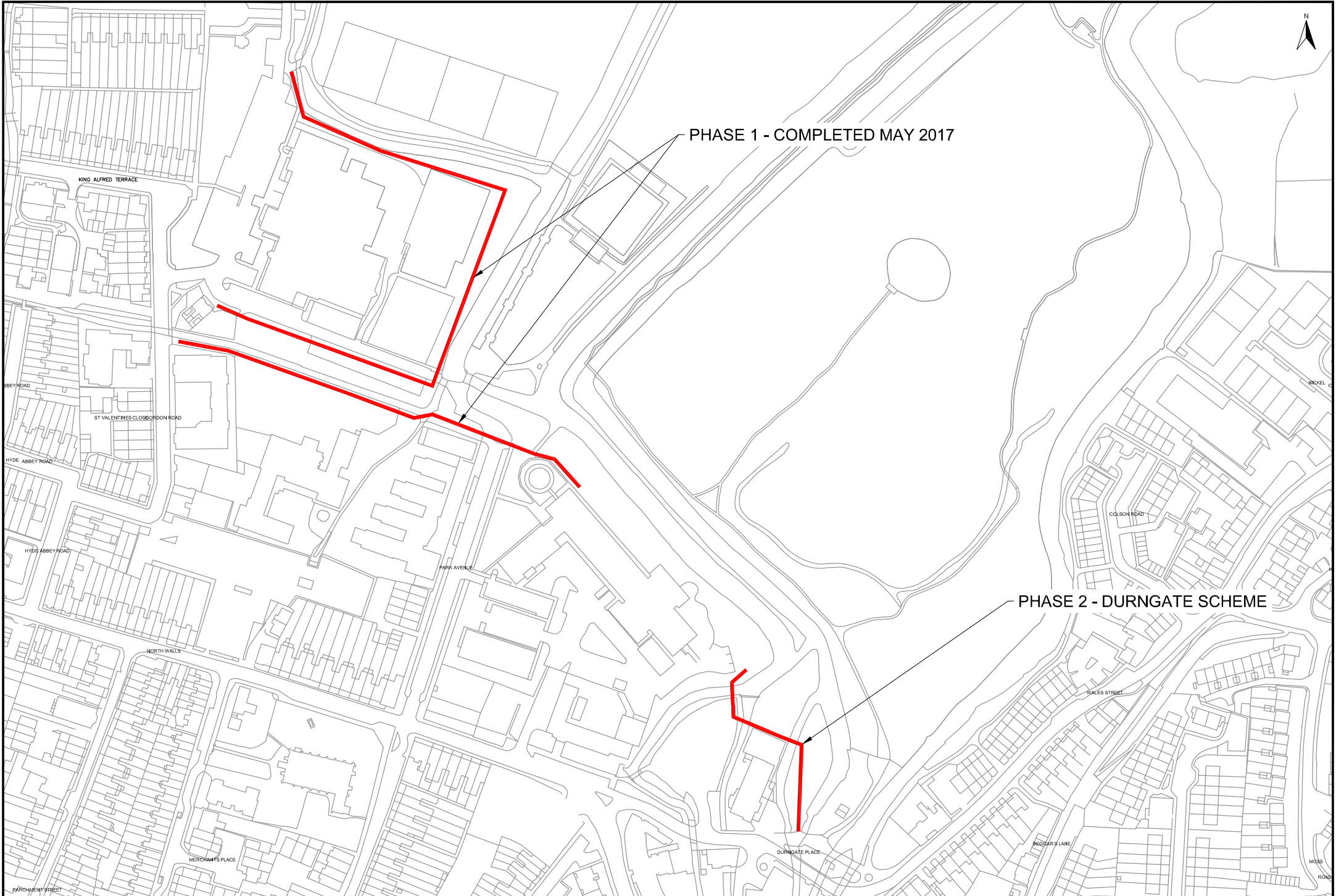
CAB2807 Community Infrastructure Levy (CIL) Spending Protocol.

Other Background Documents:-

None

APPENDICES:

Appendix A – Plan showing location of the flood alleviation scheme.[



PHASE 1 - COMPLETED MAY 2017

PHASE 2 - DURNGATE SCHEME