

Decision Pathway Report



PURPOSE: Key decision

MEETING: Cabinet

DATE: 09 March 2021

TITLE	Bristol Avon Flood Strategy	
Ward(s)	Hotwells and Harbourside, Central, Bedminster, Southville, Lawrence Hill, Brislington West, Brislington East, St George Troopers Hill, Avonmouth & Lawrence Weston	
Author: Matthew Sugden	Job title: Principal Flood Risk Officer	
Cabinet lead: Cllr Nicola Beech, Cabinet Member for Spatial Planning and City Design	Executive Director lead: Stephen Peacock, Executive Director of Growth and Regeneration	
Proposal origin: <i>BCC Staff</i>		
Decision maker: Cabinet Member Decision forum: <i>Cabinet</i>		
Purpose of Report:		
<ol style="list-style-type: none"> 1. The Bristol Avon Flood Strategy's Strategic Outline Case (SOC) sets out the approach to managing flood risk from the river Avon for existing property which, once its delivery is reasonably certain, will also greatly reduce the constraint of flood risk on new development. 2. Following public consultation which demonstrated strong support for the proposals we are seeking approval from Cabinet to endorse the preferred approach of adaptive raised defences to manage the risk of flooding from the river Avon as set out in the SOC. We also seek approval to progress to the development of an Outline Business Case, and apply for grant funding to aid its development. 		
Evidence Base:		
<ol style="list-style-type: none"> 1. Parts of Bristol city centre are at increasing flood risk from the River Avon from high river flows and tidal surges. Today a severe flood from the River Avon would result in the flooding of approximately 1,100 homes and businesses. By the end of this century the number of properties at risk is expected to increase to approximately 4,500 existing properties if we do not take action. The threat of flooding in the central area also poses a significant constraint to potential future development in areas subject to flood risk. In the absence of a flood risk strategy with reasonable prospects of delivery, it is difficult or impossible to demonstrate that development in areas subject to flood risk will be safe for its lifetime as required by national planning policy. The strategic approach to managing the risk of flooding will: <ul style="list-style-type: none"> • Future proof substantial parts of the city to ensure flood risk to existing and future homes and businesses is adequately addressed, taking an adaptive approach to allow measures to change in response to climate change • Facilitate the development and regeneration of areas currently subject to flood risk, as soon as a reasonable prospect of the delivery of flood defences has been secured • Provide opportunities for improved walking and cycling links, enhanced green spaces and biodiversity gains, and public realm improvements to be integrated in to proposals • Provide nearly £1bn in economic benefit to the UK and unlock over £7bn benefits to the local economy by enabling growth at sites currently constrained by flood risk and avoiding damage and disruption to business and infrastructure 2. Evidence to support the proposed approach is provided in the Strategic Outline Case including executive 		

summary provided in Appendix A.

3. The feedback from consultation is reported in Appendix B. Feedback was overwhelmingly positive, 84% of respondents agreed or strongly agreed with the proposal for adaptive flood defences which allow for changes in height over time.
4. The Strategic Outline Case has been given technical approval and financial scheme of delegation approval by the Environment Agency for additional work to inform the preparation of the Outline Business Case. Approval of up to £2m spend has been granted pending successful grant application.

Cabinet Member / Officer Recommendations:

That Cabinet

1. Approve the preferred approach of adaptive raised defences to manage the risk of flooding from the river Avon as set out in the SOC in full
2. Notes capital costs for delivery of phase one is estimated at £216m, of which £88m to £123m funding is identified in principle.
3. Approves the development of a funding strategy to address the additional capital funding required to deliver phase one
4. Notes additional spend in developing the SOC of £475,438 as set out in Appendix A1
5. Approves the development of Outline Business Case(s) to further refine proposals and progress the case for investment
6. Authorises an application for up to £2m local levy grant funding to fund supporting work in developing the Outline Business Case
7. Authorises the Executive Director for Growth and Regeneration in consultation with the S151 officer and Cabinet Member for Finance, Governance and Performance, to accept the grant if successful and take all steps required to enter into any agreements or contracts to spend the grant
8. Authorises the Executive Director for Growth and Regeneration to invoke any extensions/variations defined in the contracts referred to above, up to the budget envelope of £2m as outlined in this report

Corporate Strategy alignment:

The proposals align with the key themes of the corporate strategy, in particular by:

- Creating more resilient communities (Wellbeing). The proposals will enable communities currently at risk of flooding to be adequately protected from the risk of flooding over the next century
- Taking steps to make Bristol a joined up city (Well connected). Our vision shows how we intend to create measures that work for Bristol all year round and not just when flooding is expected. A key part of this is by integrating enhanced high quality connectivity along the river
- Pursuing economic growth (Fair and Inclusive). The proposals are estimated to bring over £7bn of benefits to the region and £1bn of benefit to the UK as a whole

City Benefits:

Implementation of the Flood Risk Strategy will future proof Bristol from the threat of flooding for many decades, enable a greener more active city, and unlock Bristol's potential for delivering more homes and businesses in areas currently subject to flood risk. The proposals will provide mental and physical health benefits by enabling better walking and cycling links alongside reducing flood risk. The Strategy will help to address the climate and ecological emergencies by reducing the risk of flooding and incorporating biodiversity improvements. The proposal will enable social value to be captured by enabling the delivery of new places to live, work and visit, focusing on an inclusive growth.

Consultation Details:

The Strategic Outline Case and supporting Strategic Environmental Assessment was consulted on publicly from 26th October – 20th December 2020. The consultation marked a major milestone for the project and generated interest

from a range of individuals, groups and organisations. The feedback was overwhelmingly positive, 84% of respondents agreed or strongly agreed with the proposal for adaptive flood defences which allow for changes in height over time. Scrutiny was consulted in September 2020. All members have been advised on the public consultation taking place and an all-member briefing was held. Neighbouring authorities were engaged in the consultation and helped promote the consultation in their administrative areas. Statutory consultees have been involved through a stakeholder working group.

Further details of the public consultation can be found in Appendix B, Appendix B1 sets out our response to the consultation and Appendix B2 provides details of the consultation on the Strategic Environmental Assessment.

In addition to the public consultation, we have also gone through a technical assurance process with the Environment Agency's Large Project Review Group and the SOC has been granted approval for progression to OBC. This demonstrates the very strong case for investment that the strategy brings to the city. The project will also undergo DEFRA and HM Treasury assurance as it is considered a national major project.

Background Documents:

The SOC including executive summary is provided in Appendix A

An explanation of the additional spend is provided in Appendix A1

The consultation booklet is included in Appendix A2

All technical reporting can be found at <https://bristol.citizenspace.com/growth-regeneration/b27a1658/>

Revenue Cost	£2m	Source of Revenue Funding	Local Levy funding
Capital Cost	n/a	Source of Capital Funding	
One off cost <input checked="" type="checkbox"/>	Ongoing cost <input checked="" type="checkbox"/>	Saving Proposal <input type="checkbox"/>	Income generation proposal <input type="checkbox"/>

Required information to be completed by Financial/Legal/ICT/ HR partners:

1. Finance Advice:

Grant application

Finance supports the application to local levy for £2m. This grant will facilitate the next stage of the development of the flood defence strategy, which will deliver benefits of £7bn to the region. The cost profile for the £2m grant includes £552k risk contingency, representing 38% contingency on the base cost.

This level of contingency gives comfort that the project will be deliverable within the proposed envelope. The application requires £40k of match funding from BCC, which the service have confirmed will be absorbed within existing budgets. Any further funding requirement must also be absorbed by the service. When the grant is offered and terms are known to BCC, further financial due diligence will be performed to facilitate sign-off by the S151 officer.

Note additional spend of 475k

This spend has been absorbed into prior year and current year budgets. This does not represent a budget pressure, and is presented for informational purposes only.

Capital funding

This cabinet report seeks approval to apply for grant funding to proceed to the next stage of the project (preparation of the full OBC). However, the full flood strategy funding has not been secured.

Detailed below is commentary covering the current status of funding strategy for the costs of constructing and implementing the measures detailed in the Strategic Outline Case (SOC).

Total cost estimate

The strategy is proposed to be implemented in 2 phases. The below table provides costs for each phase and whole life revenue costs.

	Present Value Costs (£m, in today's prices)
Capital works, 2020s	216
Phase 2 Capital works, 2060s	9.1
Whole life maintenance and operation	24.3
Whole Life Costs	249.3

Identified sources of funding

Preliminary work has identified potential for Flood Defence Grant in Aid (FDGiA) funding of £69m. Other secured, programmed and potential funding sources have also been identified. The tables below shows the range of funding sources identified or under consideration.

Source identified	Potential contribution (£m)	Notes
FDGiA	69	High confidence – technical approval of SOC granted
EDF	10	Programme level commitment pending LEP OBC acceptance.
BCC capital contribution	9	Committed Cumberland Road stabilisation works contribution & cost avoided
CIL	0 – 35	£3.5m p/a available for strategic infrastructure over next ten years, subject to changes in planning white paper
Subtotal	£88 - £123	Funding range (excluding/including CIL)

Under consideration	Notes
WECA	The devolution deal provides £1 billion of investment to deliver infrastructure to boost economic growth in the region
Developer contributions	Developers absorbing delivery costs if integrated within development proposals and / or financial contributions for enabling infrastructure. Significant contributions anticipated due to existing constraint of flood risk on development
Land value uplift	Areas identified for growth and regeneration significantly constrained by flooding, increase in value of BCC capital receipts as result of flood strategy enabling mixed use development proposals
Government	Central Government grant funding to support regeneration and associated enabling infrastructure

The “gap” to phase 1 is £128m, assuming zero CIL allocation. However the benefits to Bristol and the wider region are significantly higher than the funding requirement (total benefit of £7bn to the region) that we consider it appropriate to proceed to OBC stage, and simultaneously develop a deliverable funding strategy to meet the funding requirements of the proposals. Further details regarding the funding “gap” will be reported to the River Avon Steering Group and Mayor’s Office as discussions progress. Formal acceptance of any funding in this regard will be covered in the OBC to be brought back to Cabinet.

Finance Business Partner: George Palmer, Finance Business Partner, Growth and Regeneration, 15 January 2021

2. Legal Advice: Section 9 of the Flood and Water Management Act requires lead local flood authorities to develop, maintain, apply and monitor a strategy for local flood risk management in their areas.

The application for grant funding does not raise any specific legal issues. Legal Services will advise and assist in relation to the grant agreement.

Consultation

The consultation process and responses detailed in Appendix B must be considered before making the decision. The

consultation took place when proposals were at a formative stage; gave sufficient reasons for the proposal to permit intelligent consideration and allowed adequate time for consideration and response.
 There must be clear evidence that the decision maker has conscientiously taken the consultation responses, or a summary of them into account, before taking its decision.
 The Public Sector Equality duty
 The duty requires Cabinet to consider the need to promote equality for persons, with “protected characteristics” and to have due regard to the need to i) eliminate discrimination, harassment, and victimisation; ii) advance equality of opportunity; and iii) foster good relations between persons who share a relevant protected characteristic and those who do not share it. The Equality Impact relevance check at Appendix E confirms that no significant impacts on protected groups have been identified at this stage. Separate equality impact assessments will be completed in relation to specific designs to inform future decisions

Legal Team Leader: Sarah Sharland/Husinara Jones Team Leader 22/2/2021

3. Implications on IT: No anticipated impact to IT Services although any opportunities that exist to deliver ‘enhanced high quality connectivity along the river’ should be explored and discussed further when appropriate.

IT Team Leader: Simon Oliver, Director Digital Transformation, 21/12/2020

4. HR Advice: There are no HR implications evident.

HR Partner: Celia Williams, HR Business Partner, 08/01/2021

EDM Sign-off	Stephen Peacock	13 th Jan 2021
Cabinet Member sign-off	Cllr Beech	18 th Jan 2021
For Key Decisions - Mayor’s Office sign-off	Mayor’s Office	1 st March 2021

Appendix A – Further essential background / detail on the proposal	YES
<ul style="list-style-type: none"> • A Strategic Outline Case including executive summary • A1 additional spend details • A2 Consultation booklet 	
Appendix B – Details of consultation carried out - internal and external	YES
<ul style="list-style-type: none"> • B Bristol Avon Flood Strategy Consultation results • B1 Consultation responses and outcomes • B2 Strategic Environmental Assessment consultation report 	
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	YES
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	YES
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO

