

 <b>Executive Committee February 2019</b>		<b>Agenda Item No.</b>  <h1 style="text-align: center;">11</h1>
<b>Title</b>	Business Case for Extension of the Avon Navigation Scheme from Stratford (Alveston) to Warwick	
<b>For further information about this report please contact</b>	Chris Elliott 01926 456003 chris.elliott@warwickdc.gov.uk	
<b>Wards of the District directly affected</b>	Emscote, Myton and Heathcote, and Budbrooke	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	No	
<b>Date and meeting when issue was last considered and relevant minute number</b>	28 <sup>th</sup> June 2017 minute number 23; 1 <sup>st</sup> November 2017 minute number 68	
<b>Background Papers</b>	Not applicable	

<b>Contrary to the policy framework:</b>	No
<b>Contrary to the budgetary framework:</b>	No
<b>Key Decision?</b>	No
<b>Included within the Forward Plan? (If yes include reference number)</b>	No
<b>Equality Impact Assessment Undertaken</b>	No (If No state why below)
Not needed at this stage.	

<b>Officer/Councillor Approval</b>		
<b>Officer Approval</b>	<b>Date</b>	<b>Name</b>
Chief Executive	21.01.19	Chris Elliott
Head of Service	21.01.19	Dave Barber
CMT	21.01.19	Chris Elliott, Andrew Jones, Bill Hunt
Section 151 Officer	21.01.19	Mike Snow
Monitoring Officer	21.01.19	Andrew Jones
Finance	21.01.19	Mike Snow
Portfolio Holder(s)	21.01.19	Noel Butler (Business)
<b>Consultation &amp; Community Engagement</b>		
If the project progresses then detailed consultation will be required.		
<b>Final Decision?</b>	Yes	
<b>Suggested next steps (if not final decision please set out below)</b>		

## 1. **Summary**

- 1.1 This report considers the outcome of the high-level assessment of the environmental and the socio-economic impacts of a scheme to extend the Avon Navigation Scheme from Stratford (Alveston) to Warwick.

## 2. **Recommendation**

- 2.1 That the study setting out a high-level assessment of environmental and the socio-economic impacts of the proposal to extend the Avon Navigation Scheme from Stratford (Alveston) to Warwick is noted.
- 2.2 That the Council works in partnership with Stratford District Council to promote and improve footpath/cycleway access along the River Avon corridor between Warwick and Stratford.

## 3. **Reasons for the Recommendation**

- 3.1 At its meeting on 28<sup>th</sup> June 2017 the Executive agreed to the request from the Avon Navigation Trust (ANT) for support to look further at the principle of the proposal for the extension of existing navigation on the River Avon from Alveston, north of Stratford to the Grand Union Canal at Warwick.
- 3.2 In November 2017 the Executive agreed to make a contribution towards a study covering a high-level assessment of the environmental and of the socio-economic impacts to demonstrate if there is a realistic business case. This was estimated to cost, including a contingency, £45,000. It was agreed that the cost be split 3 equal ways between ANT, Stratford District Council (SDC) and this Council. This would mean that this Council would have to pay £15,000. This was funded from the Community Project Reserve. SDC offered to undertake the procurement exercise. The work was tendered and Peter Brett Associates (PBA) was appointed to undertake the work.
- 3.4 The final reports from PBA can be seen [at the following link](#). The key points emerging are set out in Section 8 of this report. In summary, the economic case for the scheme is not so overwhelming given the expected capital costs and the significant environmental issues that would require further work to ensure they could be addressed adequately.
- 3.5 However, the proposal within the report that has merit is to work in partnership with SDC for improved public access along the river corridor between Stratford and Warwick. Here the respective costs are lower, the economic benefits more significant and the environmental consequence much less. If this could be developed along with improvements already discussed by the Executive in a report in November 2018 then it has the potential to create a significant asset for community use as well as a significant "green" tourism opportunity for the sub region.

## 4. **Policy Framework**

### 4.1 **Fit for the Future (FFF)**

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council’s FFF Strategy.

<b>FFF Strands</b>		
<b>People</b>	<b>Services</b>	<b>Money</b>
<b>External</b>		
<b>Health, Homes, Communities</b>	<b>Green, Clean, Safe</b>	<b>Infrastructure, Enterprise, Employment</b>
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/ productivity of local economy Increased employment and income levels
<b>Impacts of Proposal</b>		
The proposal to extend the Avon Navigation has the potential to impact positively on a range of these intended outcomes above but there are also some dis-benefits. However, promotion of greater public access to the river corridor has significant social and economic potential at a much lower cost and greater ease of implementation.		
<b>Internal</b>		
<b>Effective Staff</b>	<b>Maintain or Improve Services</b>	<b>Firm Financial Footing over the Longer Term</b>
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers’ needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
<b>Impacts of Proposal</b>		
Not applicable.		

## 4.2 Supporting Strategies

4.2.1 Each strand of the FFF Strategy has several supporting strategies but none are directly relevant to this potential project.

4.2.2 However, the proposal to develop a proposal to enable greater public access along the river corridor between Stratford and Warwick links well with the proposal to create a new riverside public park at Edmondscote and to extend the use of the old railway line to Rugby east of the Fosse Way as reported to the Executive in November 2018. This could provide a continuous off road

footpath/cycling link from Rugby to Leamington; Leamington to Warwick; and, from Warwick to Stratford creating great potential for local community use and a significant opportunity to develop a new but "green" tourism attraction for the sub region.

#### **4.3 Changes to Existing Policies**

There is no change to existing policies.

#### **4.4 Impact Assessments**

At this stage, no work has been undertaken but if the joint working proposal progresses then further work would be needed especially for disabled access.

#### **5. Budgetary Framework**

5.1 At this stage the report does not generate any new budgetary impact.

#### **6. Risks**

6.1 At this stage of the process there are no real risks as the Council is not committing itself to anything other than to undertake some joint work at some point in time in the future.

#### **7. Alternative Option(s) considered**

7.1 The Executive could decide not to proceed in any way at all yet the evidence collected does suggest that an improved public access to the river corridor could have a potential beneficial economic impact but a low environmental one.

7.2 The Executive could decide to continue with the Avon Navigation Scheme but there is not sufficient economic evidence to justify that course of action and so it is not recommended.

#### **8. Background**

##### **Socioeconomic Study**

##### **8.1 Introduction**

8.1.1 The study examines the potential socioeconomic and environmental effects of the proposed ANS between Warwick and Alveston Weir. It investigates the relationship between an established navigation and the policy and programme responses it may stimulate.

8.1.2 The study describes the infrastructure and other improvements to establish the ANS. It reviews the socioeconomic context of the area to gain an understanding of the local economy. It sets out the policy context and summarises the consultations which have taken place with a variety of stakeholders and this has helped inform the understanding of the anticipated social and economic effects which a proposed navigation scheme would have.

8.1.3 To complement the study a high level environmental review has also been carried out. This review assesses the likely effects on the surrounding landscape, visual amenity, heritage assets, ecology, water quality and hydrology.

- 8.1.4 The Proposal will allow for navigation beyond the existing navigable length of the river by powered craft including narrow and wide beam boats. The ANS therefore refers to opening up navigation from beyond Alveston to Warwick and onto the Grand Union Canal. Likewise, it would allow for boats travelling through the Grand Union Canal to access the River Avon via the Edmondscote aqueduct. The scheme itself extends approximately 14 miles and would likely consist of some 13 locks dependant on the route options, with around four of these locks positioned as a flight to reach the Grand Union Canal. The development of the navigation scheme would allow the formation of the South Warwickshire Ring.
- 8.1.5 The navigation has been considered as four separate reaches which is consistent with a previous report undertaken by Halcrow in 2013 commissioned by ANT. Each of these reaches is described in the report.
- 8.1.6 The socioeconomic indicators surrounding the ANS are analysed in the report, using data from WDC and SDC, within a 1 mile radius from the River Avon. The analysis comments on tourism, water based activities, geography, demographics, economic labour market, housing and health & wellbeing.
- 8.1.7 In relation to tourism growth the study comments that the ANS would help attract additional visitors in the form of boat users and scope for increased public access to the river.
- 8.1.8 The assessment does not consider the uplift in land or property values in the vicinity of the river but comments that waterway development elsewhere in the UK has shown an increase in the value of surrounding land or properties.

## 8.2 **Consultation**

- 8.2.1 The consultees were selected and agreed by the steering group and covered 41 businesses, community organisations, residents associations, clubs, Parish Councils, SDC and WDC.
- 8.2.2 The report provides a detailed analysis of consultation feedback identifying areas of support, concerns, possible mitigation and implications for the ANS design and delivery.
- 8.2.3 In summary, two consultees saw the ANS as a positive development but 95% of those consulted had concerns about the scheme. However, the report sets out potential mitigations, particularly to address concerns raised by Warwick Castle, Charlecote House and Charlecote Mill. The report also recognises that through careful design of the navigation the concerns raised by stakeholders can be mitigated and/or managed.

## 8.3 **High Level Environmental Review**

- 8.3.1 The High Level Environmental Review report supports and informs the socioeconomic assessment. A summary of the main points arising from the review is incorporated in the ANS study. The environmental review includes an analysis and implications for ANS design and delivery on the landscape, heritage, ecology, water quality and hydrology.

#### 8.4 ***Economic impact***

- 8.4.1 The total economic impact shows that the active travel construction would generate a local area uplift of £0.19 million in additional GVA (Gross Value Added) to the local economy whilst marinas construction would generate an additional local area uplift of £0.96 million.
- 8.4.2 The longer term operational impacts show an increase in the number of day and overnight trips by 3% and 6% respectively, supporting up to 161 net tourism jobs in the local area. This would stimulate £3.9 million in GVA to the local economy.

#### 8.5 ***Total costs***

- 8.5.1 The study sets out a schedule of costs for each element of the ANS. In total the cost would be between £27.7 million and £29.6 million to deliver depending on the route chosen. It is estimated that the construction would support up to 138 additional short term jobs and related GVA of up to £3.9 million. Additional active travel and associated infrastructure (active travel element, including optimism bias, equates to £2.09 million, construction of Marinas £7.31 million) has the potential of extending the benefit to the wider population.