

REPORT TITLE: STATION APPROACH PUBLIC REALM STRATEGY AND  
MASTERPLAN FRAMEWORK

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REPORT OF PORTFOLIO HOLDER: ESTATES – CLLR STEVE MILLER

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WARD(S): ST PAULS / ST BARTHOLOMEW

PURPOSE

This report enables the Cabinet (Station Approach) Committee to consider and approve the Public Realm Strategy and Masterplan Framework for the Station Approach project. The Council is committed to seeing a high quality design at Station Approach and underpinning this is the public realm strategy.

Following a successful procurement exercise, Winchester City Council commissioned Lifschutz Davidson Sandilands (LDS) as the design team for Station Approach in September 2017. The brief for the design team was agreed by Cabinet in March 2017 to provide new Grade-A office space through a mixed-use development. The current first stage of the project involves three areas of work: a Public Realm Strategy for the Station Approach area; a Masterplan Framework for the disposition of uses across the two sites in the Council's ownership (known as the Cattlemarket and Carfax sites); and a concept design for the Carfax site.

RECOMMENDATIONS:

1. That Cabinet (Station Approach) Committee approve the content of the Public Realm Strategy and Masterplan Framework for Station Approach and agree to continuing stakeholder, and initial public engagement on the proposals contained in these documents.
2. That Cabinet (Station Approach) Committee approves the evaluation weighting for the procurement for financial support for the business case financial and economic appraisals of a 70% overall score for quality aspects and 30% for price, to reflect the importance of quality in the evaluation of the tenders.

3. That the formulation of any quality questions to be used in evaluation of the financial and economic appraisals be delegated to the Head of Programme for Station Approach in consultation with the Portfolio Holder for Estates.
4. That the Head of Programme for Station Approach in consultation with the Portfolio Holder for Estates is delegated to accept the quotation for the financial support procurement which scores highest by applying the evaluation model, and enter into a contract with the highest scoring bidder.

## IMPLICATIONS:

### 1 COUNCIL STRATEGY OUTCOME

- 1.1 The Station Approach regeneration scheme is a key activity in the Council Strategy to facilitate and support the development of two strategically important sites in the City, and work with partners to deliver employment and other regenerative opportunities, including housing. The project has a clear purpose which is to ensure that Winchester remains a vibrant centre not just of tourism and heritage, but also of employment which provides an enhanced economic base for the city.
- 1.2 This regeneration scheme can provide a significant number of high value private sector jobs brought to Winchester through the provision of Grade-A office space, while creating a gateway site into Winchester through new build regeneration. The regeneration scheme can also provide city centre residential units in a highly sustainable location close to a transport hub.
- 1.3 The project brief sets out the specific list of project deliverables which includes:
- a) The provision of approximately 13,000 sq m (140,000 sq ft) new office floor space to create and retain high quality private sector jobs in central Winchester.
  - b) The enhancement of the public realm to include the identification of specific improvements to the existing network of highways and informal routes (within the financial parameters defined in the Brief) so as to reduce the impact of necessary vehicle movement on the area and improve connectivity for pedestrians and cyclists.
  - c) Improvement of the quality and location of public parking provision in accordance with the parking strategy.
  - d) Provide a housing element in order to meet need and to help make the project viable, also bringing greater life and vitality to the area.
  - e) A rental income and/or a capital receipt for the City Council.

### 2 FINANCIAL IMPLICATIONS

- 2.1 Full Council resolved at their meeting 02 November 2016 (CAB2852 Station Approach – Procurement Process Update) that budget provision of £1.5 million be made for the commissioning of the necessary design work and other professional services to progress work on Station Approach, incorporating the development of the Carfax site and preparation of a public realm strategy. No decisions have been made about how any emerging scheme would be delivered and / or funded. This first project stage is limited to undertaking a design process to test whether an acceptable scheme can be

achieved, what this would look like, and to assess what implications it would have and what benefits it could deliver.

- 2.2 The table below summarises the current budget for the Station Approach project which reflect the best estimates available at this very early stage of the project.

<b>RIBA Stage</b>	<b>Budget available / £m</b>	<b>Spend to date / £m</b>	<b>Forecast spend to complete stage / £m</b>
<b>Stages 0-2</b>	£1.0m Revenue	£0.46	£0.54
<b>Stage 3 (Developed Design)</b>	£0.5m Revenue £0.77 Capital	-	Design team fees alone are currently estimated at £0.77*
<b>Stage 4 (Technical Design)</b>	£1.03 Capital	-	Design team fees alone are estimated at £1.03*
<b>Stages 5-7 (Construction and Occupation)</b>	Options for RIBA stages 5 – 7 to be identified. This will depend upon the options the Council takes forward on project delivery. These will be subject to appraisal to provide a financially viable option for the Council and wider taxpayer, and balancing the Council's risk appetite and wider project delivery capability.		
<b>Other funding sources identified for public realm</b>	One Public Estate: £50,000 - Confirmed  EM3 LEP: £5.0 million - Agreed in principle subject to a successful business case submission.		

\* see paragraph 2.8 for other fee requirements to be forecasted nearer to the end of RIBA Stage 2, to take account of emerging design and site requirements.

- 2.3 From the £1.5 million agreed revenue funding available, £1.0 million is required to complete RIBA Stage 2 and produce an outline business case. The spend to date is £0.46 million and includes fees for procurement, design, technical work and advice.
- 2.4 The forecast spend for RIBA Stage 2 covers other planned or committed work including concept design work, appointments essential to meet the high environmental standards for the project set out in BREEAM 'Outstanding' aspiration, technical work to allow issues to be taken into account early in the design to de-risk elements of the project e.g. drainage surveys, and to make use of seasonal ecological survey windows which if missed could cause delays later in the project, but which would offset future work requirements. The remaining £0.54 million is sufficient for the remainder of the Stage 2 work.

- 2.5 From the initial budget allocation of £1.5m, the remaining unallocated revenue budget for Stage 3 is £0.50 million. Pending a decision by Cabinet (Station Approach) Committee on RIBA Stage 2 and whether to continue to RIBA Stage 3 (gateway decision) this is revenue available for the next RIBA Stage, 3.
- 2.6 Forecast spend for RIBA Stages 3 and 4 are estimates for design fees based on an initial estimated construction cost from the work emerging from the cost and valuation exercises (this follows the agreed process set out in the procurement documents).
- 2.7 Design fees for RIBA Stage 3 (Developed Design- on the basis of which a planning application can be made) costs are currently estimated as £0.77 million and RIBA Stage 4 (Technical Design) is estimated as £1.03 million. This further £1.8 million has been included in the Capital Programme for design fees.
- 2.8 In addition to design fees, planning fees, construction procurement fees and other technical advice to support the Council in making decisions will need to be part of a future consideration of revenue budget requirements when Cabinet (Station Approach) Committee consider the project at the next Gateway point at the end of RIBA Stage 2.
- 2.9 Other funding sources have been identified for the public realm strategy proposals including £5.0 million from the Enterprise M3 Local Enterprise Partnership (EM3 LEP) Local Growth Fund. This is for works to the public realm and has been agreed in principle by the EM3 LEP subject to a successful business case submission.
- 2.10 Hampshire County Council has also confirmed £50,000 in funding towards technical work on the public realm from the One Public Estate funding. The City Council has been working closely with the County Council on the public realm proposals which are being considered by the County in light of the wider Movement Strategy.

### 3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 Additional input is required to carry out financial and economic appraisals to support the business case for the project. Cost and viability work is already underway, procured following agreement by Cabinet at their meeting 20 March 2017 (CAB2864).
- 3.2 Winchester City Council follows the HM Treasury Green Book for the development of business cases. The outline business case is a mandatory part of the business case development process to full business case. The financial and economic appraisals will inform the outline business case at the end of RIBA design stage 2, and the development of a full business case through the later RIBA stages.

- 3.3 The weighting for the financial appraisal procurement is proposed to be 70% quality, 30% price. This is to ensure that an appropriately skilled and suitable team can be procured to work in partnership with the Council to build financial models and undertake appraisals to assist with the business case which will support decisions to be made by the City Council on developing the design and options for delivery.
- 3.4 This is a fixed price / lump sum contract that requires the contractor to agree a fixed fee for a defined scope of works prior to entering into the contract; this allows greater confidence when forecasting cash flows through the project duration and also mitigating cost certainty risks to the Council.
- 3.5 Options for different procurement routes have been explored with advice taken from the Council's Finance and Legal teams, and from Hampshire County Council's procurement team, leading to the decision to request 3 quotes in line with the Council's Contracts Procedure Rules (2016).
- 3.6 The recommendations to Cabinet (Station Approach) Committee is to approve the amended evaluation weighting for this procurement, and for delegated authority to be given to the Head of Programme for Station Approach in consultation with the Portfolio Holder for Estates to set the quality evaluation criteria and make the final appointment.
- 3.7 As set out in more detail in section 7, specialist roles for BREEAM 'outstanding' early stage credits are also being procured. In addition, highways engineering advice has been procured from Hampshire Services (Design & Engineering Services) using the One Public Estate grant for this area of work.

#### 4 WORKFORCE IMPLICATIONS

- 4.1 The governance for the project was set out in the appendices of the previous Cabinet Report (CAB3001(SA)) which sets out the resources required with the Council and from partner organisations, with the project office supporting this project as a whole.
- 4.2 Further specialist resources are needed to support the BREEAM outstanding aspiration for the project, technical matters, and Outline Business Case as set out in sections 2, 3 and 7.

#### 5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 The progression of these schemes will impact on existing public car parking and some areas of leased car parking which will need to be carefully managed as part of the overall car parking strategy within the scheme.
- 5.2 The Council is still in discussion with a number of different companies that remain interested in taking a lease for office accommodation, and WCC continues to receive enquiries about the availability of office space in the city which currently cannot be fulfilled. As the design development progresses the

Architects will meet prospective tenants to ensure that the accommodation is designed flexibly and is able to meet a range of potential requirements.

## 6 CONSULTATION AND COMMUNICATION

- 6.1 As part of routine agenda planning, the Chair of Overview and Scrutiny was briefed on upcoming papers and as an all member briefing would be held, determined that this report need not be scheduled for the Overview and Scrutiny agenda.
- 6.2 Stakeholders and interest groups are being engaged throughout the course of this stage of the project. A stakeholder workshop was held at the end of November 2017 involving local resident group 'SANG', WinACC, City of Winchester Trust, Winchester BID, Peter Symonds College, CTC Hampshire Cycling, Stagecoach, University of Winchester, local Ward Members, local landowners/tenants including the County Council and Southwest Railway amongst others. Numerous meetings have been held with stakeholders including Hampshire County Council Transport Officers working on the wider Movement Strategy and County Archivists Office, Southwest Railway and Network Rail as key local landowners.
- 6.3 Representatives from the LEP and County Council are closely involved in the development of the scheme in order to inform the future business case proposal to secure funding for highways and for public realm works.
- 6.4 An Advisory Panel, consisting of representatives from Hampshire County Council, City of Winchester Trust and the Business Improvement District (also confirmed at CAB3001(SA)) met on 13 February to review proposals and an All Members' Briefing on the Public Realm Strategy and Masterplan was also held on 13 February 2018.
- 6.5 The following stakeholder and public engagement events are being advertised and will follow the Cabinet (Station Approach) Committee approval of the Public Realm Strategy and Masterplan Framework:
- a) Open drop-in exhibition – 3 March 2018, 11:00-15:00 Hampshire Records Office, Sussex Street, Winchester. There will be an opportunity for attendees to provide comments on the Public Realm Strategy and Masterplan Framework and hence inform the next stages of design
  - b) Workshop with invited stakeholders - 5 March 2018. This will build on the earlier stakeholder workshop held 20 November 2017.
  - c) Open drop-in exhibition – 7 March 2018, 16:00-19:00 Hampshire Records Office, Sussex Street, Winchester. There will be an opportunity for attendees to provide comments on the Public Realm Strategy and Masterplan Framework and hence inform the next stages of design development.

- d) Open drop-in exhibition – Saturday 17 March, 10:00-12:00 Watercross Room, The Swan Hotel, New Alresford.
  - e) Open drop-in exhibition – Saturday 17 March, 15:00-17:00 King's Church, Bishops Waltham.
- 6.6 Further engagement on the Concept designs will then follow the anticipated Cabinet (Station Approach) Committee decision in July 2018 on the outputs of RIBA stage 2 (concept designs) supported by the outline business case, to feed into the emerging design for the site.
- 6.7 Engagement will continue throughout the design process as each phase of the project is taken forward. Broadsheets will be published as a useful way of sharing progress.

## 7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 The project brief identifies that the project should contribute towards the Council's objectives to build a low carbon economy. The BREEAM method of assessing the building design and impacts will be used to measure and test the designs as they evolve. The intention is to aim for the 'Outstanding' rating as per the Council's Local Plan policy. This will need to be tested as the design progresses in order to determine the impact this might have on the design, the associated construction costs, as the policy allows.
- 7.2 Hilson Moran are acting as BREEAM advisors as part of the Lifschutz Davidson Sandilands Station Approach team. To achieve early stage credits to meet the 'Outstanding' BREEAM rating, they advise that the following inputs are required at this stage:
- a) Suitably Qualified Security Specialist (SQSS) to conduct an evidence based Security Needs Assessment (SNA).
  - b) Suitably Qualified Ecologist (SQE) to update current ecological assessment report and confirm ecological value.
  - c) Suitably Qualified Acoustic Consultant to carry out noise impact assessment (including background noise assessment and noise level rating) .
  - d) BREEAM AP/ Sustainability Champion.
  - e) Energy specialist to carry out a low and zero carbon feasibility study.
- 7.3 Further advice is awaited from the Design and Sustainability Advisor team regarding the extent and process for satisfying these requirements. The option of securing these inputs in-house has been explored and is now rejected due both to the lack of available resources, and to the regulatory role



that officers will need to take in the planning application process. These roles, as necessary, will therefore be commissioned externally.

- 7.4 Further environmental considerations are picked up in section 10 within the Public Realm Strategy.

## 8 EQUALITY IMPACT ASSESSMENT

- 8.1 None required at this time.

## 9 RISK MANAGEMENT

- 9.1 A project risk register is maintained by the project manager and reviewed and updated regularly by the project team. Key risks for this project stage are set out in Appendix 4 and include risks around the LEP Bid of £5million if there are delays to the design process and work with stakeholders who own third party land which result in elements of the necessary business case not being sufficiently complete, or not being able to meet the required spend programme.
- 9.2 The scope of the project is set out in the brief used in the procurement and the tender received from LDS. The programme was agreed by Cabinet (Station Approach) Committee at their meeting on 28 November 2017 (CAB3001(SA)) and the risk register in Appendix 4 includes the risk that changes to the agreed programme could incur additional fees under the contract.

## 10 SUPPORTING INFORMATION:

### Background

- 10.1 Winchester City Council commissioned Lifschutz Davidson Sandilands (LDS) as the design team for Station Approach in September 2017 following a Cabinet (Station Approach) Committee decision in August 2017. The procurement of LDS was based on a brief agreed in March 2017 to provide new Grade-A office space through a mixed-use development. Three areas of work formed the first stage of the project, to produce:
- a) Public Realm Strategy for the Station Approach.
  - b) Masterplan Framework for the disposition of uses across the two sites in the Council's ownership (known as the Cattlemarket and Carfax sites).
  - c) Concept design for Carfax site.

### Public Realm Strategy

- 10.2 Securing a high quality public realm across the Station Approach area is an important objective of the project. Firstly, the Council wishes to ensure that the quality of the public realm makes a positive statement about the city itself on arrival via the station, and by all transport modes via the Andover Road/new development area. This project represents an opportunity to set a new standard linking into the work on the wider Movement Strategy. Secondly, provide improved walking and cycling routes within the public realm to key destinations such as the University and Hospital and city centre, improve the links with new development to the north, improving convenience and safety and encouraging non-car journeys. The brief given to the design team included the production of a public realm strategy to address this objective.
- 10.3 Publica are public space, urban design and masterplanning specialists within the LDS design team and led on the Public Realm Strategy (the Strategy) working with other members of the design team including Bradley-Hole Schoenaich Landscape (BHSLA). The Strategy is based on the following 10 key findings from survey work carried out in 2017 as set out on page 13 of Appendix 2:
- (i) Vehicular spaces dominate the Station Approach area, and there are few pedestrian spaces for people to rest and spend time.
  - (ii) Wayfinding around the station is confusing, and routes to the city centre are not easily identified.
  - (iii) Public realm materials, street furniture and lighting are inconsistent and unremarkable in the Station Approach area.
  - (iv) Many pedestrian routes in the area are convoluted, indirect and of poor quality.
  - (v) The public realm in the centre of Winchester has a distinctive character and identity.
  - (vi) Building frontages that line the routes around the station lack activity and interest.
  - (vii) Junctions prioritise the movement of vehicles over that of people on foot, affecting the quality and accessibility of pedestrian routes.
  - (viii) Winchester is well known for its green infrastructure, but the Station Approach area lacks useable green open spaces.
  - (ix) Cycling in Winchester is difficult, with convoluted routes and limited infrastructure.

- (x) Events are an important feature within Winchester's public realm and could be better accommodated in the Station Approach area.
- 10.4 From these 10 key findings, the following 4 priority project areas have emerged as set out on pg. 41 in Appendix 2. These project areas will be considered as part of a long-term strategy for investment, as opportunities and funding become available, working with partner organisations to deliver priorities in the short, medium and long-term.
- (i) Station Hill. Projects include: a new civic space on Station Hill, and improved Carfax junction that gives greater priority to pedestrians.
  - (ii) Station Road/Upper High Street. Projects include: providing an attractive, safe and legible pedestrian route along Station Road and Upper High Street, and rationalised vehicular spaces, cycle provision and improved crossings at junctions.
  - (iii) Stockbridge Road/Cranworth Road. Projects include: a unified character and improved connections between multiple levels, simplified, direct routes and crossings, an improved station setting and wayfinding outside the station's western exit.
  - (iv) Station Car Park/Andover Road. Projects include: an inviting and characterful pedestrian route from Winchester Station to Andover Road alongside the station carpark, a strengthened route along Andover Road with clearly defined edges and landmark trees.
- 10.5 Further initiatives have also been identified within the Strategy, along with strategic recommendations for the introduction of green infrastructure and, sometimes, small proposals including planting or provision/upgrade of footpaths, street furniture or boundary treatment, that as a collective whole would bring a significant upgrade in the quality of the public realm in the wider Station Approach area.
- 10.6 Many of the initiatives identified entail land not within the City Council's ownership and will need to come forward through a partnership approach with landowners and potential funding partners. The Strategy forms a menu of initiatives and ideas for testing and taking forward for delivery by a number of agencies, including Winchester City Council and Hampshire County Council and in conjunction with Network Rail/Southwest Rail over a short, mid and long term programme, noting that some ideas are aspirational as part of the strategy. All projects will need funding to be identified, and many will need to support the wider Movement Strategy, before being agreed for implementation.
- 10.7 Funding for the majority of the projects in the Strategy will not come from the redevelopment of the Carfax site, as under Regulation 122 of the Community

Infrastructure Levy Regulations (2010), they are not necessary to make the development acceptable in planning terms; directly related to the development; and fairly and reasonably related in scale and kind to the development. The Council is therefore in the process of securing a £5m grant towards the key projects in the Strategy which has been agreed in principle by the EM3 LEP. This agreement is subject to the submission of a successful business case based on a designed scheme for the Carfax Site. Transport benefits and enhancements for pedestrians, cyclists, public transport users and other vehicle users will need to be demonstrated within this business case and the public realm proposals are important to the scheme and lead to enhanced regeneration of the area. In addition, the Council is exploring alternative funding opportunities with partner organisations.

- 10.8 It should be noted that the Public Realm Strategy has produced a significant and comprehensive 'menu' of ideas and initiatives for potential future projects. Many of these have been proposed in a variety of forms, or by a variety of agencies in the past. The Strategy has been discussed in principle with Hampshire County Council, Network Rail, South Western Railway and at an informal Cabinet Committee Meeting. The Strategy has also been discussed with officers within the City Council, including Planning, Transport, Urban Design, Historic Environment and Landscape Officers. The next task is to prioritise these initiatives into an outline programme, taking account of impact, complexity of delivery, timescale, cost and lead/supporting stakeholder agreement and capacity. This programme, potentially, provides a range of projects (of differing scale) over a short (1-3 year), mid (3-7 year), long (7-10 year) and aspirational (10 years plus) term duration, creating a framework for public realm improvements as funding and delivery opportunities materialise.

Masterplan Framework for the disposition of uses across the Carfax and Cattlemarket sites

- 10.9 The Masterplan Framework sets out the proposed disposition of different uses across the sites in the Council's ownership and draws on key findings in the Public Realm Strategy. The role of the Masterplan Framework is a framework with a range of opportunities for future change. It recommends "...overall strategies for movement and transport, green space and public realm, buildings and uses, massing and textures and, within those, identified a menu of discrete projects on the two allocated sites and others besides – projects that are, as far as possible, independent of each other so that they can be advanced in any sequence as champions and funding come forward". A vision has been formulated through this initial phase of work which LDS will continue to test and refine throughout the design process.
- 10.10 Key elements/principles of the Masterplan Framework are:
- a) Uses: Options for the distribution of different uses have been considered by the design team. The recommendation in the Masterplan Framework is that "...the Carfax site is best dedicated to offices and some supporting restaurant/café uses. In contrast the

shape of the Cattle Market site lends it to a finer grain, residential-led, mixed use development...". This has the benefits for efficiencies of use; allowing a more efficient use of the land available and optimising development value.

- b) Car Parking: Underground car parking is proposed, to replace existing public parking, with options for the level of provision for the new residential and office developments, taking into consideration the position close to a transport hub and with consideration of future proofing. Optimum size and entrance/exit locations will be explored through the design work, but current considerations for the Carfax site include an entrance from a filter lane on Sussex Street turning left into a very short ramp adjacent to Station Hill and taking advantage of the slope, with a left turn exit onto Gladstone Street. Considerations for the Cattlemarket site include a left turn off Andover Road removing the need to turn into Worthy Lane to access public car parking.

The existing amount of public car parking at Gladstone Street will be maintained in the redevelopment of the Carfax site. Public parking at the Cattlemarket site will be reviewed as part of the future Parking Strategy review across the City.

- c) Junctions: Proposals for the Carfax and Worthy Lane junctions are also made in the Masterplan Framework including the removal of the Sussex Street underpass linked with improvements to the junction for pedestrians and enhancement to other pedestrian and cycle routes, and the potential for bus priority improvements.
- d) Massing: Massing is also considered in the Masterplan Framework. Articulating façades and use of local materials are suggested as a way to reduce the visual impact of any proposed development massing. The effect of the massing options on the local townscape views is also considered within the Masterplan Framework (Appendix 2 pgs. 28-35). Resultant building heights are likely to be in the range of up to 4/5 storeys on both Carfax and Cattlemarket sites.
- e) Active Uses: The Masterplan Framework proposes that the retention of the former Registry Office should be considered in the design work as a foil to any new development on the rest of the site working together with buildings to reinforce the southern frontage of a new Station Square and provide active uses along this frontage. Active frontages will also be considered in other appropriate locations as detailed in the Masterplan Framework (Appendix 2, pg. 9) and used for example to animate a new, level diagonal desire line route for pedestrians connecting the Station to Tower Street.
- f) Green Infrastructure: Reinforcement of the green assets and where trees are removed, particularly in the body of the Carfax site, provide extensive replacements around the perimeter where they can work with new frontages to soften and shade them.

- g) Public Realm Strategy: Proposals set out in the Public Realm Strategy which are of benefit to the regeneration of the area, but not necessary for, or as part of, the development include:
- (i) the relocation of the main transport interchange (buses, taxis, drop off) in conjunction with the introduction of two-way operations on Sussex Street and cycling and pedestrian improvements along Station Road.
  - (ii) An in-only route for buses from the Carfax junction up Station Hill linked with improvement to the area in front of the station providing space for an attractive public realm and an intuitive and pleasant route for pedestrians and cyclists into the city centre.
  - (iii) Provision of logical pedestrian routes and intuitive way finding including suggestions for improved access to and from the Station from all directions (e.g. suggestions are provided for improvements for access from the West and Stockbridge Road/Cranworth Road links; to the North with pedestrian links to Andover Road, and East and South).

#### Next steps

- 10.11 Projects within the Public Realm Strategy will now be prioritised and working with partner organisations, funding opportunities will be sought to deliver priorities in the short, medium and long-term.
- 10.12 The Council will progress with the stakeholder and public engagement sessions in early March as detailed in section 6.
- 10.13 The work on the Strategy and Masterplan Framework is now feeding into the work on the concept design for the Carfax site which will be reported to Cabinet (Station Approach) Committee in early July 2018. Approaches proposed in the Masterplan Framework will be explored through the concept design work, with continued stakeholder engagement.
- 10.14 The viability of the design work is being tested with cost consultants Mace and viability advisors Vail Williams and will evolve over time to support discussions on how the scheme is progressed. This is an iterative process which will also inform the Outline Business Case. A RIBA Client Advisor, Sarah Williams (whose appointment was confirmed by Cabinet (Station Approach) Committee on 28 November 2017 (CAB3001(SA))) is also informing the process.
- 10.15 Preparation of the business case to support the award of the £5m LEP funding is progressed in partnership with Hampshire County Council in particular.
- 10.16 It is therefore recommended that Cabinet (Station Approach) Committee approve the content of the Public Realm Strategy and Masterplan Framework

for Station Approach and agree to further stakeholder, and initial public engagement on the proposals contained in these documents.

## 11 OTHER OPTIONS CONSIDERED AND REJECTED

- 11.1 At the end of RIBA Stage 2, and each subsequent RIBA Stage, the Council and the Design Team have a gateway in which they can decide whether to continue with the next stage of the design process. The next gateway is the end of RIBA Stage 2 and the outline business case; this next gateway meeting is arranged for July 2018. The gateways for the Council are summarised below:

<b>Project Stage</b>	<b>Gateway Cabinet (SA) Committee Approval</b>
RIBA Stage 2 – Concept Designs and Outline Business Case	Approval of RIBA Stage 2 and agreement to proceed to RIBA Stage 3
RIBA Stage 3 - Development of Design to planning application	Approval of RIBA Stage 3 and agreement to proceed to RIBA Stage 4
RIBA Stage 4 – Technical Design and full Business Case	Approval of RIBA Stage 4 and agreement to proceed to RIBA Stage 5
RIBA Stage 5 - Construction	

- 11.2 There is therefore no commitment for the Council to develop a scheme at this point, and decisions on delivery options can be made at the appropriate gateway point.

### BACKGROUND DOCUMENTS:-

None

### Previous Committee Reports:-

CAB3001(SA)	Station Approach – Update	28 November 2017
CAB2959(SA)	Station Approach – Appointment of Design Team	14 August 2017
CAB2864	Station Approach – RIBA Plan of Works Stages Documentation	20 March 2017
OS157	Station Approach – End Stage review report for the competitive dialogue process	30 November 2016
CAB2852	Station Approach - Procurement Process Update	17 October 2016
CAB2829	Station Approach - The Way Forward	7 September 2016

### Other Background Documents:-

None

APPENDICES:

Appendix 1: Map of Station Approach Area

\*Appendix 2: Public Realm Strategy (separate document)

\*Appendix 3: Masterplan Framework (separate document)

Appendix 4: Key risks for current project stage

Appendix 5: Project Phases and Business Case Stages

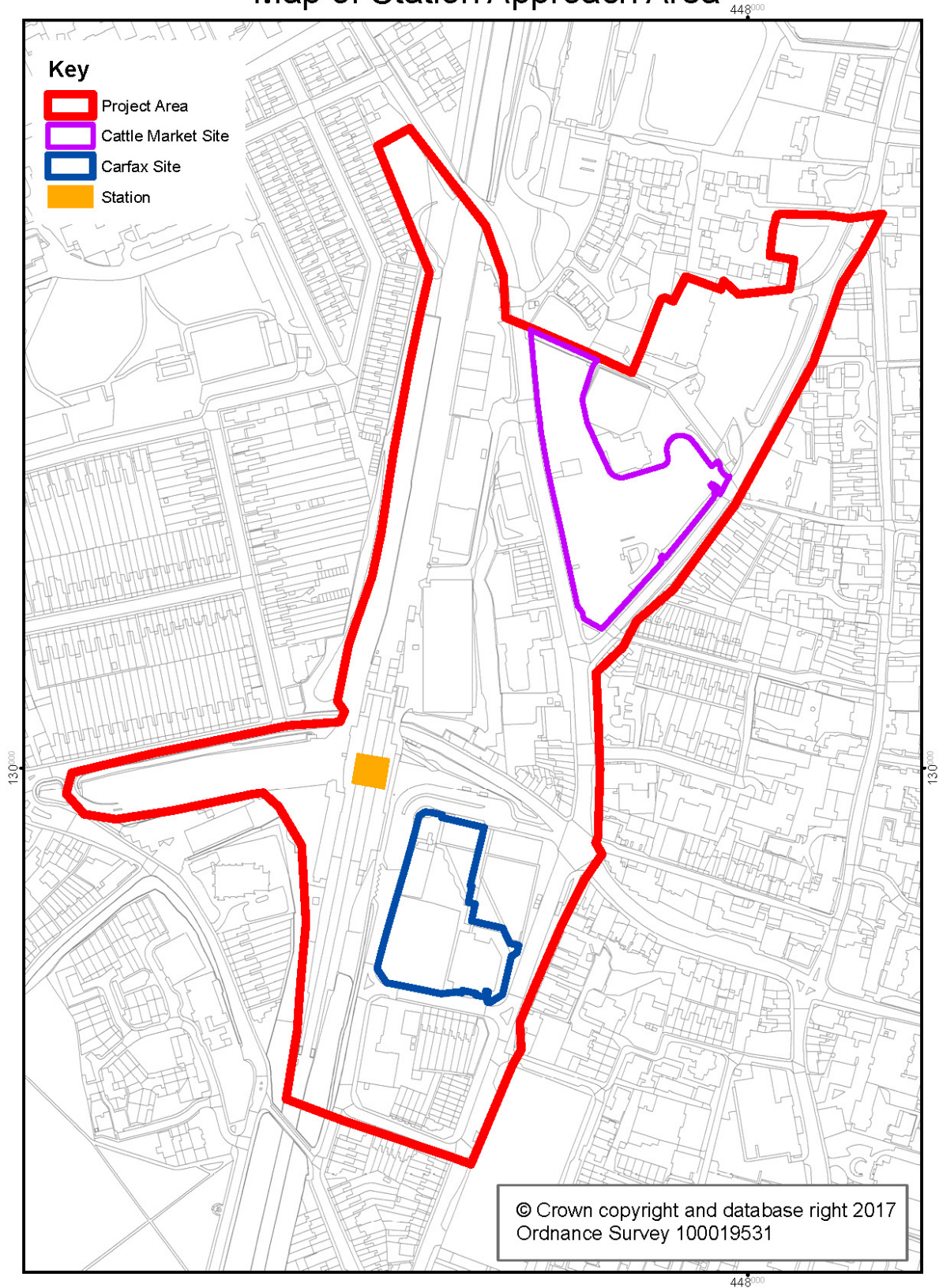
*\*Due to their size, copies of Appendices 2 and 3 have been circulated to Committee Members only with a copy left in the Political Group room. Appendices can also be viewed on the Council's website via the following link:*

<http://www.winchester.gov.uk/meetings/meeting/5030>



Appendix 1: Map of Station Approach Area

### Map of Station Approach Area



Appendix 2: Public Realm Strategy (separate document)

Appendix 3: Masterplan Framework (separate document)

## Appendix 4: Key risks for current project stage

Description of Risk	Current Risk Score		Risk Proximity	Financial Impact	Risk Control	Residual Risk Score	
	Likelihood	Impact				Likelihood	Impact
Changes to the programme and scope of the project incur additional fees under the contract	Likely	Moderate	1	££	Agree programme at start of each stage, signed off by Cabinet (Station Approach) Committee	Unlikely	Moderate
Loss of £5million LEP grant if design work delayed or agreement for works cannot be reached in a timely manner on land controlled by 3 <sup>rd</sup> parties, results in not being able to meet required spending programme	Likely	Major	4	££££	Close liaison with M3 Enterprise LEP, and partner organisations who own 3 <sup>rd</sup> part land throughout the project to agree priorities for spend and mechanisms and programme for delivery.	Unlikely	Major
Some local businesses seeking suitable office space lose interest due to 1. Council delay decision making 2. Change in commercial market	Likely	Major	4	££ - £££	Mitigate - 1. ensure political support is maintained as it is crucial that this project is moved forward in line with planned timescales to prevent delays 2. continued economic and political scanning 3. Market the site and pursue other tenants	Unlikely	Moderate
Bid for Local Enterprise Partnership (LEP) funding is unsuccessful	Unlikely	Major	2	££££	Mitigate - engage with EM3 LEP, complete LEP Business Case, supported by the project outline business case to be agreed by Cabinet (Station Approach) Committee and ensure it is reviewed by the relevant officers before submission.	Highly Unlikely	Moderate

Description of Risk	Current Risk Score		Risk Proximity	Financial Impact	Risk Control	Residual Risk Score	
	Likelihood	Impact				Likelihood	Impact
Lack of resources	Unlikely	Major	1	££	Mitigate – Review project governance to ensure the appropriate expertise is brought together at the appropriate time to support the project. In regard to internal resource - at an appropriate point and where able to do so - notify those teams within the Council who will be required to provide support to the project in advance (assign work packages).	Highly unlikely	Moderate
Local residents and members of the public feel disengaged in the project or object to aspects of the scheme, leading to dissatisfaction with the development and potential campaigns against the development which may delay matters and cause additional costs to be incurred	Likely	Moderate	2	£-££	Mitigate - Engagement and Communication Strategy in place, setting out how to engage interested parties in the design process; use Communications Plan, this is being implemented.	Unlikely	Low
Transport Assessment undertaken demonstrates work on public realm required to support development is prohibitively expensive / unacceptable	Unlikely	Moderate	3	££££	Mitigate - continue work with Hampshire County Council to explore potential schemes that could be delivered in conjunction with both authorities to improve the public realm in this area and involve other agencies, landowners including Network Rail/SW Railway, the BID.	Highly unlikely	Moderate
Existing utilities and their infrastructure cannot support proposed development	Unlikely	Moderate	4	££-£££	Mitigate - contact all existing utility companies early in the project process to establish the capacity and	Highly unlikely	Moderate

Description of Risk	Current Risk Score		Risk Proximity	Financial Impact	Risk Control	Residual Risk Score	
	Likelihood	Impact				Likelihood	Impact
					establish any potential issues		
Project business case does not achieve commercial and / or financial viability	Unlikely	Significant	2	££££	Mitigate a. Establish the most appropriate business mix to deliver the expected outcomes and that this is backed up with a solid evidence base. b. Liaise with the Finance Team to ensure the financial models reflect the expected outcomes and they include the latest information that is available. c. Establish processes to promote financial due diligence, whereby regular updates on the input assumptions for the financial modelling is available and project team robustly challenge these and any subsequent outputs from the financial model as the project progresses.	Unlikely	Moderate
Costs of construction rise meaning development does not achieve the financial return required	Unlikely	Moderate	4	£££-££££	Mitigate - continue to review costs and values before deciding to proceed. Instruct a full financial and cost report prior to submitting any planning application. Ensure an element of contingency is built into the construction budget.	Unlikely	Low

Description of Risk	Current Risk Score		Risk Proximity	Financial Impact	Risk Control	Residual Risk Score	
	Likelihood	Impact				Likelihood	Impact
Designs are rejected resulting in significant delay to development for businesses wishing to expand within Winchester or relocate here (with a corresponding impact on the local economy, and impacting on the Medium Term Financial Strategy).	Unlikely	Major	2	£££	Mitigate - work with design team during formulation of designs to ensure these reflect the themes and principles of the Design Brief so Members can be comfortable to proceed with recommended design.	Highly unlikely	Moderate
Changes occur in the financial markets which result in significantly increased cost of borrowing. (This will have a greater impact depending on the degree to which the Council decide to develop the site/s themselves).	Likely	Major	4	£££	Accept - the financial market risk but mitigate where possible as follows: a. Regular scanning of the financial markets is already undertaken by the Finance Team as part of their treasury management responsibilities, to facilitate early identification of any potential financing implications, and finance officers will be aware of the current options available to keep borrowing costs to a minimum. b. Ensure an element of contingency is built into the construction budget. c. There is a decision gateway in the business case process where the full business case is considered prior to any financing commitment being made.	Likely	Moderate

Description of Risk	Current Risk Score		Risk Proximity	Financial Impact	Risk Control	Residual Risk Score	
	Likelihood	Impact				Likelihood	Impact
Cabinet decision is delayed by failure to secure the views of a diverse group of people.	Unlikely	Major	1	£££	Mitigate - establish briefings for Ward members and rapport with relevant portfolio holders; ward Member involvement in Advisory Board. Effective Engagement and Communication Strategy, setting out proposals to engage interested parties in the design process. Ward Councillors will be a key stakeholder for this. This is being implemented.	Highly unlikely	Moderate
Design Team is appointed and fees incurred but development process is halted by the Council. Design Team's fees become unrecoverable	Unlikely	Moderate	2	££-£££	Mitigate - establish bi-monthly briefings for Ward members and rapport with relevant portfolio holders; ward Member involvement in Advisory Board. As part of the Tender bidders are required to produce an Engagement and Communication Strategy, setting out how they propose to engage interested parties in the design process. Ward Councillors are a key stakeholder for this.	Highly Unlikely	Moderate
Gateways not approved	Unlikely	Significant	2	££-£££	Mitigate - establish bi-monthly briefings for Ward members and rapport with relevant portfolio holders; ward Member involvement in Advisory Board. An Engagement and Communication Strategy, setting out proposals to engage interested parties in the design process. Ward Councillors are a key stakeholder for	Highly unlikely	Major

Description of Risk	Current Risk Score		Risk Proximity	Financial Impact	Risk Control	Residual Risk Score	
	Likelihood	Impact				Likelihood	Impact
					this.		
Design not acceptable to Highways Authority	Unlikely	Significant	2	££	Mitigate - continually engage with HCC as the designs are developed. An Engagement and Communication Strategy, sets out proposals to engage interested parties in the design process. HCC will be a key stakeholder for this.	Highly unlikely	Major
Change to the scope of the project as a result of the local elections in 2018	Unlikely	Major	2	£££	Mitigate - keep all political parties well informed throughout the project to ensure each party has bought into and is in support of the project	Unlikely	Moderate
Adverse publicity	Likely	Moderate	2	£	Accept –accept this risk to a certain extent because should something unexpected happen which creates concerns, there will inevitably be some adverse publicity. Mitigate the extent of such adverse publicity by working closely with the Communications team at WCC to ensure awareness of the most recent updates, any concerns for issues that arise which may cause people to raise concerns and engage with stakeholders regularly to ensure they are kept well informed about the project.	Likely	Moderate



Description of Risk	Current Risk Score		Risk Proximity	Financial Impact	Risk Control	Residual Risk Score	
	Likelihood	Impact				Likelihood	Impact
Financial and economic models are not fit for purpose	Unlikely	Significant	1	££££	Mitigate a. An appropriately experienced and qualified finance officer is assigned to oversee the financial modelling.b. Financial consultants that are appropriately experienced are appointed to undertake the financial and economic modelling. There is close liaison between the Finance Team / the financial consultant and the project team / board, to ensure the financial models reflect the expected outcomes and they include the latest information that is available. Establish processes to promote financial due diligence, whereby any officer or councillor involved in the project receives regular updates on the input assumptions for the financial modelling and is encouraged to robustly challenge these and any subsequent outputs from the financial model as the project progresses.	Unlikely	Low
Design halted and site sold before planning permission secured results in reduced return on investment.	Unlikely	Major	2	£££-££££	Recommend to Members that site is taken to planning permission supported by outline business case.	Highly unlikely	Major

**Key****Likelihood**

Highly Unlikely = 1% to 25% chance in 5 years

Unlikely = 26% to 50% chance in 5 years

Likely = 51% to 75% chance in 5 years

Highly Unlikely = 76% to 100% chance in 5 years

**Risk Proximity**

1 = occurring within 3 months

2 = occurring within 6 months

3 = occurring within 1 year

4 = unlikely to occur within 1 year

**Financial Impact**

£ = £1 - £20,000

££ = £20,001 - £200,000

£££ = £200,001 - £2,000,000

££££ = £2,000,001 plus

Appendix 5: Project Phases and Business Case Stages

The Station Approach Business Justification Case and supporting Evidence of Need was approved by Cabinet at their meeting of 20 March 2017. As authorised by Cabinet, the Business Case will be developed following the Government’s Green Book Five Case Model and will follow the process set out below.

