

THE OVERVIEW AND SCRUTINY COMMITTEE

20 March 2017

Attendance:

Councillors:

Learney (Chairman) (P)

Gemmell (P)
Gottlieb
Hiscock (P)
Laming (P)

Pearson (P)
Stallard (P)
Tod (P)
Thacker (P)

Deputy Members:

Councillor Jeffs (Standing Deputy for Councillor Gottlieb)

Others in attendance who addressed the meeting:

Councillors Horrill (Leader) and Miller (Portfolio Holder for Estates).

Others in attendance who did not address the meeting:

Councillors Ashton (Portfolio Holder for Professional Services), Godfrey (Portfolio Holder for Finance), Humby (Portfolio Holder for Business Partnerships), Thompson and Weston (Deputy Leader and Portfolio Holder for Built Environment).

1. **DISCLOSURE OF INTERESTS**

Having regard to their roles as Hampshire County Councillors, Councillors Stallard and Tod each declared a disclosable pecuniary interest in any matter on the agenda which may have a County Council involvement. Councillor Thacker made the same declaration as her husband was a Hampshire County Councillor. However, as there were no material conflicts of interest, they all remained in the room under the dispensation granted on behalf of the Standards Committee, to participate and vote in all such matters.

It was noted that Councillor Tod was the County Councillor representing the Station Approach area.

2. **MEMBERSHIP OF SUB-COMMITTEES AND INFORMAL GROUPS ETC**

The Committee was asked to make a number of other scrutiny related appointments, as set out below.

RESOLVED:

1. That Councillor Gemmell be appointed on the Overview and Scrutiny (Major Projects) Sub Committee, with one deputy Member to be nominated from the Conservative Group; and

2. That the Liberal Democrat Group nominations to the Councillor Workloads ISG be confirmed as follows:

Councillors Laming (Chairman), Bentote, Clear and Izard.

3. **MINUTES**

RESOLVED:

That the minutes of meeting held 13 February 2017, be approved and adopted.

4. **SCRUTINY WORK PROGRAMME AND APRIL 2017 FORWARD PLAN**

The Committee referred to the Scrutiny Work Programme and the April 2017 Forward Plan and agreed that 'Risk Management Policy' due to be considered by Cabinet and Audit Committee, be also considered by the Committee at its next meeting on 22 May 2017.

RESOLVED:

1. That the April 2017 Forward Plan be noted; and

2. That the following report, 'Risk Management Policy' be added onto the Scrutiny Work Programme for consideration at the Committee's meeting on 22 May 2017.

5. **PUBLIC PARTICIPATION**

At the invitation of the Chairman, Michael Carden (City of Winchester Trust) addressed the Committee with regard to Station Approach RIBA Plans for Works Stages Documentation (Report CAB2864 refers). His comments are summarised under the relevant agenda item below.

6. **ESTABLISHING LOCAL HOUSING COMPANIES TO SUPPORT NEW HOMES DEVELOPMENT**

(Report CAB2911(HSG) refers)

Councillor Horrill introduced the report which was due to be considered by Cabinet (Housing) Committee at its meeting on 22 March 2017. Councillor Horrill made reference to the Government's Housing White Paper which encouraged Local Authorities to form Housing Companies to provide a vehicle to help build homes and support the Council moving forward in developing affordable housing. A number of Local Authorities had already adopted this approach as well as exploring a mix of options and housing tenures.

The Assistant Director (Chief Housing Officer) reported that officers had been investigating the legal implications surrounding this model and that initial legal advice had been supportive, as set out in the Report. It was proposed that the next stage would be to establish two separate housing companies, to undertake investment and development of market housing and affordable housing respectively.

In conclusion, Councillor Horrill reported that the model recommended provided a new opportunity to build houses in various affordable tenures. The building of more accessible homes was key to the future growth of the Council and the District.

The Committee noted that this model would meet the Council's investment and housing aspirations and also recognised that additional resources were required to support the provision of additional finance and legal advice, as well as project management capacity.

During discussion, the Committee asked various questions which were answered thereon, as summarised below:

- i. In respect of the risks associated with the 6% return for development of market rent housing, the Assistant Director (Chief Housing Officer) outlined that this matter would be addressed through a detailed financial case where the Council would determine the limits and test the structures.

The Committee were reminded that the Council had recently lobbied the Minister requesting that the debt cap be lifted to provide more 'headroom' to provide more new homes development at this time.

- ii. 'Right to Buy' rules might apply but the details required clarification as these had not been set out in the recent Government's Housing White Paper.

- iii. In relation to the lifting of the debt cap and the implications if this failed, reference was made to the Housing Revenue Account Budget 2017/18 and Business Plan 2017/2047, as considered by the Committee at its previous meeting. This highlighted funds that had been set aside for the initial phases. However, to deliver the latter stages of the programme, further funds were required.
- iv. With reference to risk, the Leader reassured the Committee that there was a significant demand for a mixed tenure of housing in the District. It was a market that was fully understood by the Council who had gained a detailed knowledge and experience from interacting with potential tenants on a daily basis. The risks were acknowledged but the Council had continued to build houses successfully over several years and this proposal provided a new opportunity to further evolve the New Homes Delivery programme for the future.

During debate, Members supported the principles set out in the report which they considered should be explored. It was also acknowledged that similar work that had been carried out successfully in other areas. A Member commented that modelling specific examples, to set the scene when considering the business case, would be beneficial in future, wherever possible.

In conclusion, the Chief Executive reported that the Assistant Director (Chief Housing Officer) would communicate the views of the Committee to the Cabinet (Housing) Committee at its meeting on 22 March 2017.

RESOLVED:

That the report be noted.

7. **STATION APPROACH RIBA PLANS FOR WORKS STAGES DOCUMENTATION (LESS EXEMPT APPENDIX 4)**
(Report CAB2864 refers)

Councillor Miller introduced the Report which outlined the Leader's Portfolio Plan 2016/17. This for the regeneration of Station Approach to create a gateway site into Winchester through new build regeneration and extensive public realm improvement, and the provision of Grade A office space to create and retain high quality private sector jobs in a central location. An update on the steps taken to demonstrate compliance with the RIBA approach and the Business Justification Case was provided, as set out in Appendix 1 of the Report. It was noted that Cabinet had previously considered the Report at its meeting on 20 March 2017.

Michael Carden (City of Winchester Trust) reported that the Trust welcomed the new approach within the Report and the clear summary provided but queried the amount of office space which remained the same within the revised paper to that

in the previous scheme. He also expressed the view of the 20/20 Group with the concerns regarding the Grade and size of the office accommodation and associated car parking provision which he considered may exceed what was compatible with the development. He suggested that, due to the nature of the area, the existing Railway Inn building be retained within the new scheme and that, whilst the Trust was encouraged, it remained concerned that much of what was necessary on site would not be apparent until after the design stage had started.

In response, Councillor Horrill emphasised that the RIBA process would include regular engagement with Cabinet, planners, stakeholders and the public in the process to address the feasibility of the project with the brief.

The Assistant Director (Estates and Regeneration) highlighted the key aspects of the report and the next steps to be taken in the process, in which RIBA had been engaged closely to ensure a high quality development was achievable going forward. A high number of expressions of interest from firms of architects were expected during the procurement process, of which five high quality design companies would be shortlisted for the interview process. Subsequently, a recommendation would be taken to Cabinet for an appointment to be made. Once an appointment had been made, the selected design company would carry out public engagement to take forward the scheme, which would include a thorough consultation process. The report sought approval to retain the professional services of i-Transport, Mace and Vail Williams throughout the design stages of the project to provide transport assessment, cost consultancy, commercial and valuation advice.

Councillor Horrill stated that during the public participation at Cabinet, there had been significant demand for the provision of Grade A office space within a central Winchester location, which had received strong support from Winchester Chamber of Commerce, Winchester Business Improvement District (BID) and Enterprise M3 Local Enterprise Partnership (LEP). Climate change concerns had been raised by WinACC which would be addressed during the consideration of the detail. The roles of the Advisory Panel and the RIBA team would prove crucial in guiding the Council through the necessary steps.

In addition, the County Council had given support in carrying out a high level assessment of the transport needs for the development and the surrounding areas of the Town, to run parallel with the Project.

The Committee asked a number of detailed questions in relation to the Appendices (less Exempt Appendix 4), as set out in the Report and Councillor Horrill, Councillor Miller, the Corporate Director (Service Delivery) and the Assistant Director (Estates and Regeneration) responded accordingly as summarised below.

- i. The provision of Grade A office space in a prime location was vital to the economic growth of Winchester by attracting and retaining businesses in the Town Centre. Failure to provide this sought-after office accommodation would inevitably result in local businesses leaving Winchester, to fulfil their needs in other areas that had Grade A office space available.
- ii. The Station Approach area was a sustainable location, attractive to commuters due to its setting nearby to railway links. The supply of one and two bed apartments in this area would probably be an appropriate form of viable development on this site.
- iii. To address concerns expressed regarding the financial aspects of the project and overdevelopment of the site (specifically in relation to parking), the Committee were informed that Mace and Vail Williams would look at the proposals of the selected architects and steer the direction of the project to deal with these concerns. Preliminary work on viability was required, alongside setting a framework to establish the correct scale of development, together with analysis and an engagement mechanism prior to further determination and consideration by Cabinet of the design.
- iv. In response to questions regarding the Evidence of Need (Appendix 2 of the report refers), the Committee asked what other options for the provision of Grade A office space had been considered? It was reported that there were limited appropriate locations which would deliver a significant development to meet the level of Grade A office need with adequate transport links. There were no suitable alternative development sites coming forward that would achieve this.
- v. The options of using existing sites such as Bushfield Camp and Sir John Moore Barracks had been evaluated but proved inadequate for this opportunity, as they were neither in the Council's control nor centrally located (which was a prerequisite for businesses that would be looking to acquire Grade A office space).
- vi. In relation to the Design Brief (Appendix 3 of the report refers) the floor space provisional development requirements were set as a minimum, as the principle of the planning system was to make best use of land, and this would prevent any underdevelopment of the site. It was noted that there would be an optimum figure for floor space, bearing in mind the relationship between the content and form of the development.
- vii. The Committee were notified that information on the archaeology of the Station Approach site would be made available as part of the project.
- viii. In respect of the Project Risk Register (Appendix 5 of the report refers) it was noted that this business model would allow the public to be engaged

side by side in the process, to express their aspirations for the site. However, a balance was required, as the development is needed to be deliverable and viable for the Council. In terms of risk, a broad level approach had been made at this stage to make a robust assessment but it was considered that this would be reviewed and mitigated as the Council moved through the process.

At the conclusion of debate, the Committee welcomed and supported the proposals outlined in the Report.

RESOLVED:

1. That the Report be noted; and
2. That, The Overview and Scrutiny Committee review further reports regarding Station Approach at appropriate points in the future.

8. **EXEMPT BUSINESS**

RESOLVED:

1. That in all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.
2. That the public be excluded from the meeting during the consideration of the following items of business because it is likely that, if members of the public were present, there would be disclosure to them of 'exempt information' as defined by Section 100I and Schedule 12A to the Local Government Act 1972.

| <u>Minute Number</u> | <u>Item</u> | <u>Description of Exempt Information</u> |
|----------------------|--|---|
| ## | Station Approach RIBA Plans for Works Stages Documentation (Exempt Appendix 4) |) Information relating to the financial or business affairs of any particular person (including the authority holding that information). (Para 3 Schedule 12A refers) |

9. **STATION APPROACH RIBA PLANS FOR WORKS STAGES
DOCUMENTATION (EXEMPT APPENDIX 4)**

(Report CAB2864 refers)

The Committee considered the financial information, as set out in the Exempt Appendix 4.

RESOLVED:

That the Exempt Appendix 4 be noted.

The meeting commenced at 6.30pm and concluded at 8.45pm

Chairman