

REPORT TITLE: STATION APPROACH – UPDATE

28 NOVEMBER 2017

REPORT OF PORTFOLIO HOLDER: CLLR STEVE MILLER, PORTFOLIO
HOLDER FOR ESTATES

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WARD(S): ST PAULS / ST BARTHOLOMEW

PURPOSE

To provide an update on the project programme, progress made, next steps and the engagement strategy, in respect of the Station Approach project following the appointment of an architect in the summer 2017. The report also sets out a proposed governance structure for this stage of the project to progress the project through the next project stage.

RECOMMENDATIONS:

- 1 That Cabinet (Station Approach) Committee note the update and agree the current programme timetable and next steps.
- 2 That Cabinet (Station Approach) Committee agree the governance structure set out in Appendix 1, and authorise the Corporate Head of Asset Management to ask those persons previously forming the Advisory Panel whether they would like to continue to assist the Council with the implementation of this project.
- 3 The retention of the RIBA Client Adviser be approved on the terms set out in the Appendix 5 (Exempt).

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 strategically important sites across the District and work with partners to deliver employment opportunities. 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 and service delivery for its residents.
- 1.2 On completion, 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 and extensive public realm improvement. The regeneration scheme can also provide city centre residential units in a highly sustainable location around a transport hub.
- 1.3 The project brief sets out the more specific list of the project deliverables which includes:
- The provision of new Grade-A office space to create and retain high quality private sector jobs in central Winchester.
 - 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;
 - Improvement of the quality and location of public parking provision in accordance with the parking strategy
 - 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
 - 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) to make a budget provision of £1.5 million 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.
- 2.2 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.

- 2.3 The estimated revenue expenditure needed for the completion of RIBA Stage 2 and producing an outline business case is £0.8 million and includes fees for technical work and advice.
- 2.4 The estimated revenue expenditure needed for the completion of RIBA Stage 3 and 4 is £0.6 million. Fees for RIBA Stage 3 and for planning will need to be determined based on the emerging design work, but it is possible further budget provision will be needed to complete RIBA Stage 3 and following stages to get to planning application stage and to produce the full business case.
- 2.5 The table below summarises the headline capital and revenue budgets which reflect the best estimates available at this very early stage of the project.

Project Budget:	Status
Revenue: £1.5 million	Approved Spend to date: £0.1 million Estimated spend RIBA Stage 2 £0.8 million RIBA Stages 3 & 4 £0.6 million
Indicative Scheme requirements	
Capital: £150 million subject to scheme appraisal and review of funding and delivery	Programmed, but subject to appraisal Carfax: £64.8 million Cattlemarket: £80.0 million Public Realm: £ 5.0 million
Other funding sources identified: One Public Estate: £50,000 <u>For technical work on the Public Realm</u> LEP: £5.0 million <u>For works to the Public Realm</u>	confirmed subject to successful bid for the next round of LEP funding

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 Cabinet resolved on 20 March 2017 (CAB2959(SA)) to grant delegated authority to the Assistant Director (Estates and Regeneration) to make the following appointments:
- a) That the Assistant Director (Estates and Regeneration) be authorised to retain the services of i-Transport, Mace and Vail Williams throughout the design stages of the project to provide professional advice on the emerging design in relation to transport assessment, cost consultancy and commercial and valuation advice under Contract Procedure Rule

2.4(a).

- b) That the Assistant Director (Estates and Regeneration) be authorised to procure other technical and professional services required to support the project within the existing budget for Station Approach as part of the procurement of the architectural services.
- 3.2 i-Transport has been appointed as the Council's transport consultants and in paragraph 10.5 it is recommended that the RIBA Client Adviser be retained. Further work has also been commissioned on 3D modelling, topography and wider context assessments. The appointment of cost consultants and valuation consultants will begin in Q3 (2017/18).

4 WORKFORCE IMPLICATIONS AND GOVERNANCE

- 4.1 The governance for the project is set out in Appendix 1 which sets out the resources required with the Council and from partner organisations, with the project office supporting this project as a whole. The involvement of the Advisory Panel is set out in the report of 20 August CAB2959(SA).

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 The progression of these schemes will impact on existing public car parking and some areas of let car parking which will need to be carefully managed as part of the overall car parking strategy.
- 5.2 The development process will have to be agreed by Cabinet and one of the options to be considered could be the retention or acquisition of the commercial and parking development eventually built on the site for investment purposes.
- 5.3 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 The engagement plan will help inform the first phase of the project which is to produce a public realm strategy, a framework for the disposition of uses across the Carfax and Cattlemarket sites and a concept design for the Carfax site. Engagement work around this has already begun and events are being held and planned for different stakeholder groups. This includes:-
- a) Public Engagement events:
 - (i) Public Engagement Workshop – a two-day open event to be held at the end of January / beginning of February 2018 (one evening and one weekend day). The design team will present

the results of their research to the general public, along with their initial design thoughts. There will be an opportunity for attendees to comment and hence inform the next stages of design development.

- (ii) Further engagement with public exhibition(s) will be held in March 2018 to present the amended designs, before the Council undertakes the outline business case financial and economic appraisals of the concept design work.

b) Invited stakeholder events:

- (i) Walk and talk events – walks around the site and its environs with local ward members were taken to offer them the chance to raise any issues, concerns and opportunities to the design team that matter to the local people.
- (ii) One-to-one meetings – held with individuals or groups that have a particular interest in the project; meetings to date have been held with County highways and engineers to discuss the opportunities within the public realm strategy, and some landowners within the area.
- (iii) Priorities and Opportunities Workshop – workshop-style event to be held on 20 November 2017 with invited stakeholders and the design team. To include presentations and group discussions to give an overview of the project so far and to consider and review the technical constraints, and to establish the key community project priorities.

- 6.2 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 and the associated constructions costs.

8 EQUALITY IMPACT ASSESSMENT

- 8.1 A screening assessment has not been undertaken at this stage.

9 RISK MANAGEMENT

- 9.1 A project risk register is maintained by the project manager and reviewed and updated regularly by the project team.

10 SUPPORTING INFORMATION:

Programme

- 10.1 The proposed programme for stage 1 of the project to produce a public realm strategy, a framework for the disposition of uses across the Carfax and Cattlemarket sites and a concept design for the Carfax site is set out in appendix 2 of this report. Initially, it was estimated that the project would start in September 2017 with the first project stage (RIBA Stage 2) finishing in February 2018 and construction starting in April 2019. The amended programme in Appendix 2 shows an increase in the time allowed for this stage for the reasons set out below. Within this programme, a Cabinet Decision to approve the outputs of RIBA Stage 2 and to proceed to RIBA Stage 3 will be taken at the end of May/first week in June 2018.

Reasons for the amended programme

- 10.2 Following the design process for this stage of the project, a 3 week period to cost the design prior to the outline business case assessments was also required by the Council, adding onto the previously estimated timeline. During the initial meetings with Lifschutz Davidson Sandilands (LDS) it was agreed that public engagement should not take place over the Christmas period, but would be more appropriate in the New Year, which would also link into a suitable time in the design process.
- 10.3 Compressing the programme put the project at a level of risk which was also not acceptable, in that Cabinet would be making a decision in the absence of the outline business case assessment of the design. Following consideration of all the issues, the amended programme was agreed with LDS and work is proceeding to this timetable.

Progress

- 10.4 LDS are working on the first stage of the Station Approach project and are: undertaking initial analysis work and surveys; developing the framework document for the Carfax and Cattlemarket 'masterplan (disposition of uses); and are developing the public realm strategy and framework document. This work will feed into RIBA Stage 2 'concept design' on the Carfax site.
- 10.5 The following additional work is also being commissioned: 3D modelling, context assessment, wider topography assessment. In addition it is recommended that the RIBA Client Adviser be retained to provide advice to the Council on the development of the scheme design for the Carfax Site as it progresses through the RIBA design stages. The fee proposal for this work is set out in Exempt Appendix 5 and it is recommended that due to the specialist nature of the work and the previous experience gained in working with the Council that the existing appointment is extended.

Next Steps

- 10.6 A RIBA Stage 0&1 Report is scheduled for Q3 2017/18 (financial quarters) for the Council to consider, followed by a RIBA Stage 2 report in Q4 2017/18. These reports will be costed and then feed into the outline business case appraisals and assessment. Cabinet (Station Approach) Committee will be asked to consider the design work and strategies in light of the outline business case, and whether to proceed to RIBA Stage 3 at the end of Q1 2018/19. The public engagement strategy associated with this process is set out in Section 6 of this report.

11 OTHER OPTIONS CONSIDERED AND REJECTED

- 11.1 This report is to provide an update to Cabinet (Station Approach) Committee to consider the programme and governance of the project.
- 11.2 Two options on the programme were considered. Option one was to keep to the programme estimated for the procurement process (set out in previous Cabinet Reports). To avoid public engagement through the Christmas period and to also allow for a through-review of the products of the design process and the outline business case assessments, the Cabinet Committee Meeting would be pushed into the purdah period which may start 26 March 2018 . Potential overlaps of the different stages was considered, to try and bring the decision forward, but were discounted as this significantly put the project at risk as the outline business case would not be completed, and cut down on the engagement work which is a significant element of this project. The second option is the selected option and is set out in the section above.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

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: Governance Structure

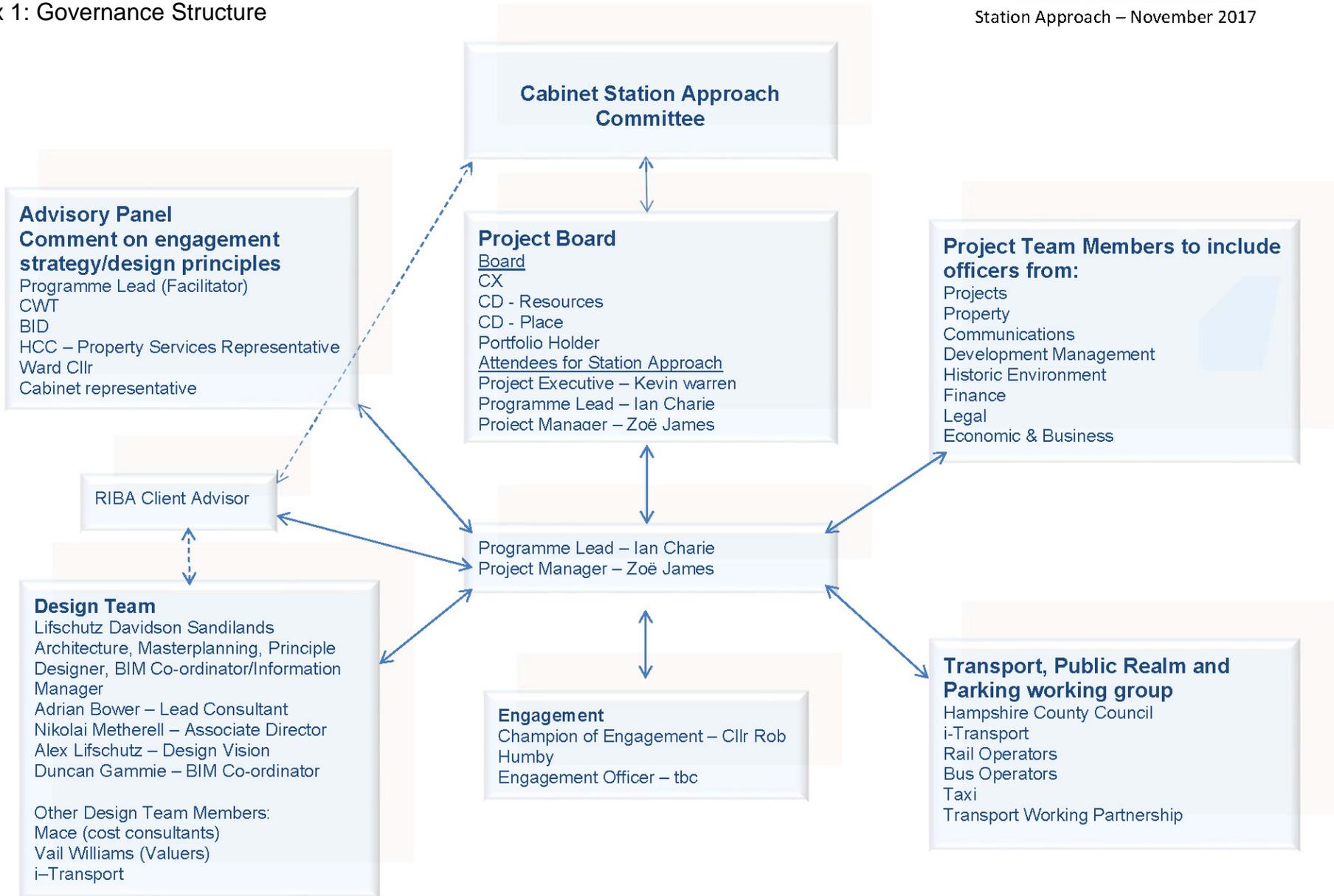
Appendix 2: Programme for RIBA Stage 2

Appendix 3: Longer term estimated programme for the project

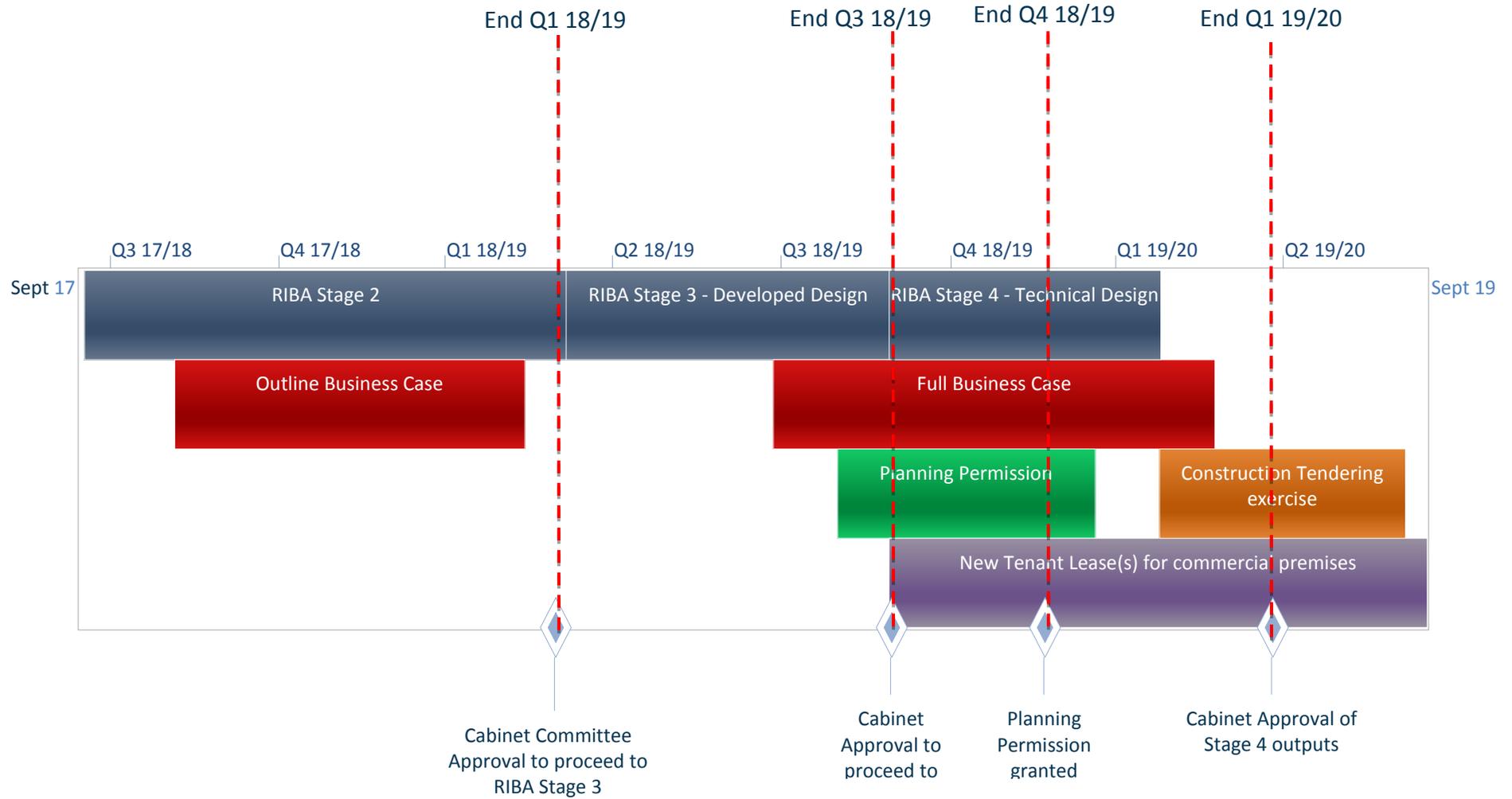
Appendix 4: Project Phases and Business Case Stages

Appendix 5: Fee proposal for RIBA Client Adviser (Exempt)

Appendix 1: Governance Structure



Appendix 3: Amended Longer term estimated programme for the project



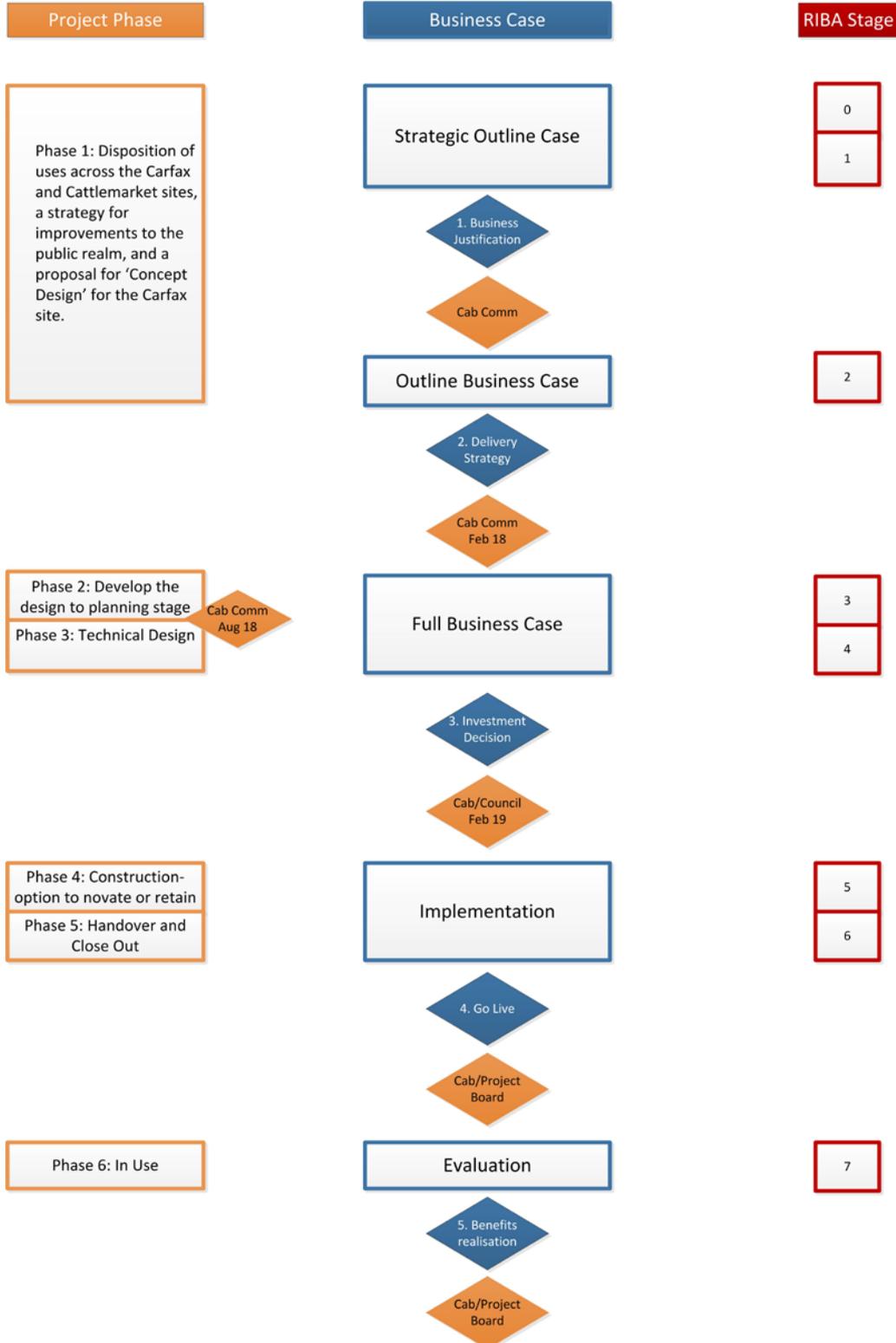
Initial estimated programme for the project

<i>RIBA Stage</i>	<i>Task and estimated time required</i>	<i>Gateway</i>	<i>Estimated Start</i>
RIBA Stage 2 ↓	RIBA Stage 2 – Concept Designs - 4 months <i>-6 weeks for economic and financial appraisals</i>		Aug 17
	Approval of RIBA Stage 2 and Agreement to proceed to RIBA Stage 3	Cabinet approval	Feb 18
RIBA Stage 3 ↓	RIBA Stage 3 - Development of Design to planning application - 6 months		
	Approval of RIBA Stage 3 and Agreement to proceed to RIBA Stage 4	Cabinet approval	Aug 18
	Grant of Planning Permission	Planning Committee	Nov 18
RIBA Stage 4 ↓	RIBA Stage 4 – Technical Design <i>3-5 months depending on route</i> <i>1 month - for economic and financial appraisals</i>		
	Approval of RIBA Stage 4 and Agreement to proceed to RIBA Stage 5	Cabinet approval	Feb 19
	<i>2 month tender period</i>		

RIBA Stage	Construction Start	Apr 19
5	<i>-1.5 to 2 years</i>	
	Tenant Leases - Building agreement and leases signed	Apr 18 to Jan 19

Appendix 4: Project Phases & Business Case Stages, and association with RIBA 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.



Appendix 5: Fee proposal for RIBA Client Adviser (Exempt)