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Winchester
City Council

Meeting	Cabinet
Date and Time	Wednesday, 22nd December, 2021 at 9.30 am.
Venue	Walton Suite, Winchester Guildhall

CWR presentation given at Cabinet meeting

City Offices
Colebrook Street
Winchester
SO23 9LJ

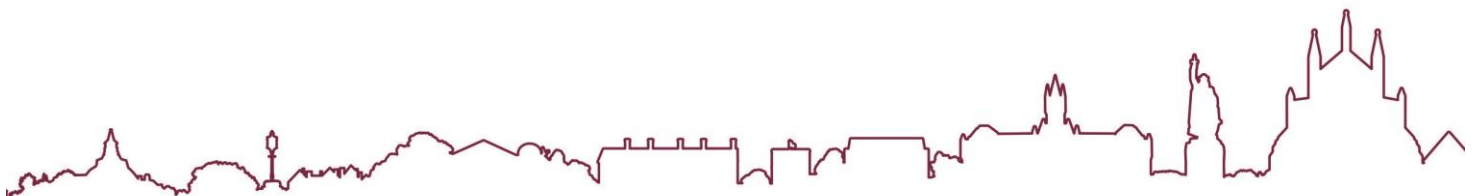
Lisa Kirkman
Strategic Director and Monitoring
Officer

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22 December 2021

Agenda Contact: Nancy Graham, Senior Democratic Services Officer
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CABINET MEETING






22 December 2021

Central Winchester Regeneration (CWR)

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AGENDA

-  Introduction
-  Recap
-  Business Case update
-  Procurement process
-  Close

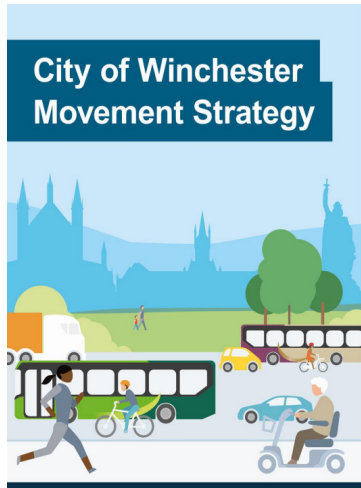


Recap




SUPPLEMENTARY PLANNING DOCUMENT AND WINCHESTER MOVEMENT STRATEGY

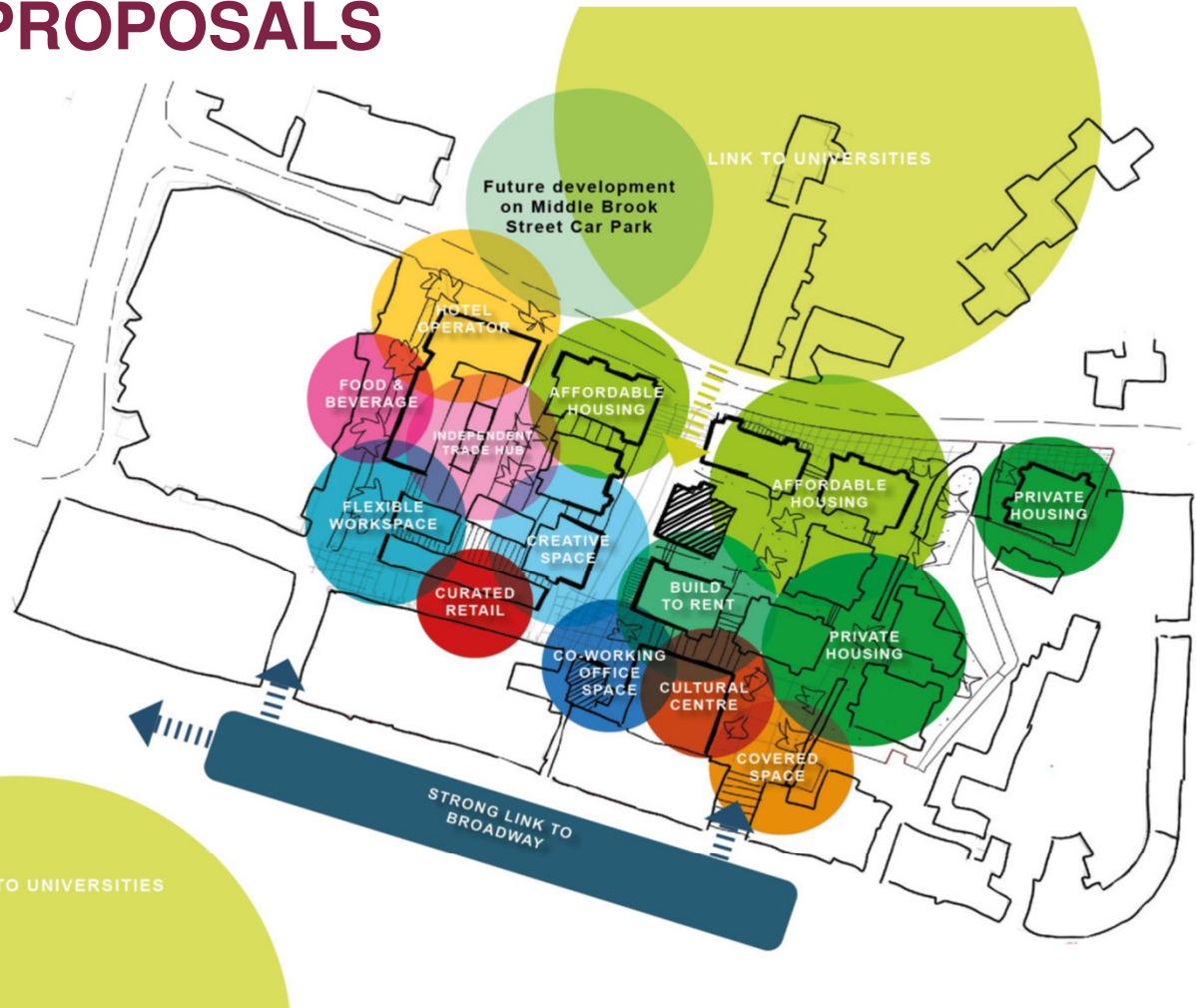
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THE DEVELOPMENT PROPOSALS

 Consultation period
November 2020 to
January 2021

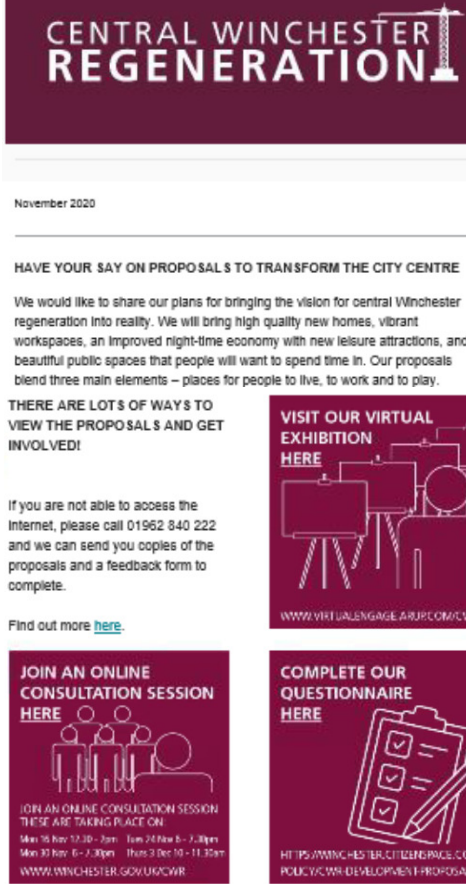
 Approved at Cabinet in
March 2021



METHODS OF ENGAGEMENT

-  Your Council News and City Voice
-  Targeted Facebook advertising and engagement on Twitter
-  Posters on The Broadway and to all parishes
-  Advertisement in Mid Hants Observer
-  E-shot to CWR database
-  Website home page and dedicated pages
-  Media releases
-  Information sent to local businesses, schools, university students, HCC and hospital staff.

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CENTRAL WINCHESTER REGENERATION

November 2020

HAVE YOUR SAY ON PROPOSALS TO TRANSFORM THE CITY CENTRE

We would like to share our plans for bringing the vision for central Winchester regeneration into reality. We will bring high quality new homes, vibrant workspaces, an improved night-time economy with new leisure attractions, and beautiful public spaces that people will want to spend time in. Our proposals blend three main elements – places for people to live, to work and to play.

THERE ARE LOTS OF WAYS TO VIEW THE PROPOSALS AND GET INVOLVED!

If you are not able to access the internet, please call 01962 840 222 and we can send you copies of the proposals and a feedback form to complete.

Find out more [here](#).

VISIT OUR VIRTUAL EXHIBITION HERE

WWW.VIRTUALENGAGEMENTARUR.COM/CWR

JOIN AN ONLINE CONSULTATION SESSION HERE

JOIN AN ONLINE CONSULTATION SESSION THESE ARE TAKING PLACE ON:


Mon 16 Nov 12.30 – 2pm Tues 24 Nov 8 – 7.30pm
Mon 30 Nov 6 – 7.30pm Thurs 3 Dec 10 – 11.30am

WWW.WINCHESTER.GOV.UK/CWR

COMPLETE OUR QUESTIONNAIRE HERE

[HTTPS://WWW.WINCHESTER.CITIZENPACE.COM/POLICY/CWR-DEVELOPMENT-PROPOSALS](https://www.winchester.gov.uk/citizenpace.com/policy/cwr-development-proposals)

CONSULTATION REACH OVERVIEW

 **2,759** visits to virtual exhibition

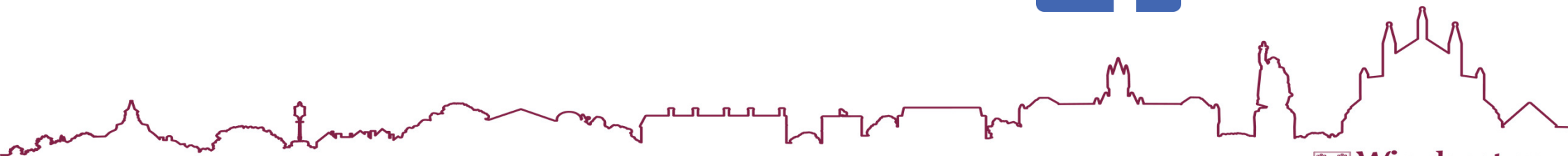
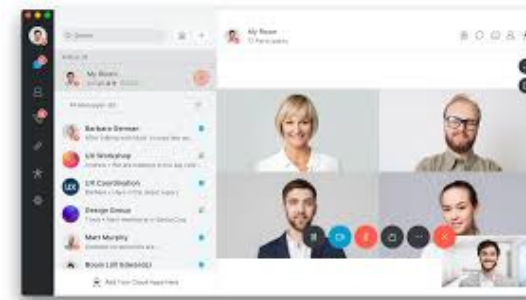
 **488,189** reach on social media

 **3,371** engagements on social media

 **44** stakeholders attended an online session

 **85** members of the public attended an online session

 **336** completed questionnaires



Business Case Process



BUSINESS CASE PROCESS

Stage	Stage 0	Stage 1	Stage 2	Stage 3
Stage outcome	<ul style="list-style-type: none"> Strategic Assessment 	<ul style="list-style-type: none"> Strategic Outline Case 	<ul style="list-style-type: none"> Outline Business Case 	<ul style="list-style-type: none"> Full Business Case
Stage activities	<ul style="list-style-type: none"> Determine the strategic context 	<ul style="list-style-type: none"> Scoping the scheme Making the case for change Explore the preferred way forward 	<ul style="list-style-type: none"> Planning the scheme Determine potential value for money (VfM) Preparing for the potential deal Ascertaining affordability and funding requirement Planning for successful delivery 	<ul style="list-style-type: none"> Procuring the solution Contracting for the deal Ensuring successful delivery
5 Case Model completeness expectation	<ul style="list-style-type: none"> 	<ul style="list-style-type: none"> Strategic 50% Economic 40% Commercial 20% Financial 30% Management 10% 	<ul style="list-style-type: none"> Strategic 80% Economic 70% Commercial 60% Financial 60% Management 50% 	<ul style="list-style-type: none"> Strategic 100% Economic 100% Commercial 100% Financial 100% Management 100%
Gateway review	0: Strategic assessment	1: Business justification	2: Delivery strategy	3: Investment decision

THE BUSINESS CASE

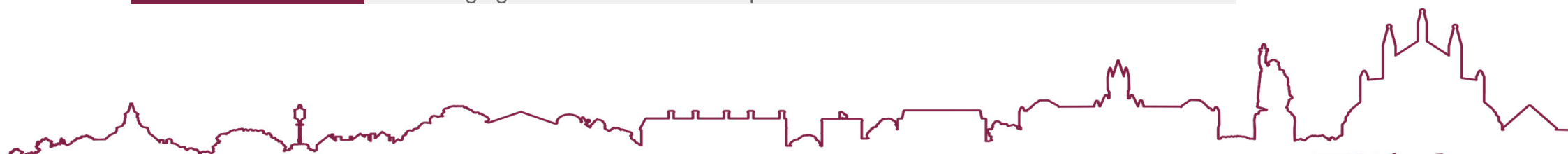
- The approach taken to complete the business case follows HM Treasury Green Book guidance – 5 case model;
 - Strategic Case – to establish the case for change and demonstrating the strategic fit.
 - Economic Case - to identify the proposal that delivers best public value to society, including wider social and environmental effects.
 - Commercial Case - to demonstrate that the preferred option will result in a viable procurement and well-structured deal.
 - Financial Case - to demonstrate the affordability and funding of the preferred option.
 - Management case - to demonstrate that robust arrangements are in place for the delivery, monitoring and evaluation of the scheme and its delivery.

Strategic Outline Case



INVESTMENT OBJECTIVES

Work	Provide creative, flexible workspaces to help grow start-up businesses and allow like-minded professionals to support each other by sharing skills, ideas and resources.
Live	Provide housing suitable for a range of people, including young people and families. A mix of private and affordable housing is needed with new homes for key workers and homes for rent.
Play	Create high quality exceptional public places where people want to spend time, to enjoy outside spaces, to experience new things, celebrate heritage and culture and get involved in something that interests them.
Student and young person experience	Create a mix of uses which is attractive to students and young people. Which encourages them to visit the centre of Winchester instead of going elsewhere and gives them reason to want to stay in the city beyond their time at university.
Overnight tourism	Create an attractive night-time offering to complement the existing city quarters and encourage residents and tourists to visit the area in the evening.
Sustainable development	Work towards the city carbon neutrality target through choice of building materials, measures to minimise energy use, re-use of buildings where appropriate and encouraging suitable modes of transport.



CRITICAL SUCCESS FACTORS

CSF 1 Alignment to City Needs (Winchester City Council Plan 2020- 25)

CSF 2 Alignment to the CWR Supplementary Planning Document

CSF 3 Alignment to the Investment Objectives

CSF 4 Achieving the benefits optimisation

CSF 5 Affordability

CSF 6 Obtaining planning permission

CSF 7 Political Risk

DELIVERY OPTIONS

	Option 3.1	Option 3.2	Option 3.3	Option 3.4	Option 3.5	Option 3.6
Descriptor	Disposal- Freehold or Long Leasehold	WCC to bring forward Kings Walk Creative Quarter and deliver the on-street bus solution. Remaining land parcels disposed of on a Freehold basis and brought forward by multiple developers	WCC to bring forward Kings Walk Creative Quarter and deliver the on-street bus solution. Followed by a development agreement with one development partner to bring forward the remaining land parcels in the defined site	WCC to bring forward Kings Walk Creative Quarter. Development Agreement with one development partner for the remainder of the defined site	Development agreement across the defined site with one development partner	WCC acting as master developer
Cost	4	1	1	3	4	0
Control	0	2	3	3	3	4
Planning risk	4	0	0	3	3	0
Development risk	4	2	2	4	4	2
Resourcing / expertise	4	1	1	3	4	0
Speed	1	1	1	2	3	2
Return (profit share)	0	1	1	1	0	0
Return (land receipt)	3	2	2	2	2	2
Market appetite	4	2	1	3	4	0
Total Score (out of 40)	24	12	12	24	27	10

ANALYSIS

Delivery	Option 3.4- shortlisted WCC to bring forward Kings Walk Creative Quarter. Development Agreement with one development partner for the remainder of the defined site	Option 3.5- preferred Development agreement (i.e. contractual Joint Venture) across the defined site with one development partner
CSF1: Alignment to city needs	4	4
CSF2: Alignment to SPD	4	4
CSF3: Alignment to investment objectives	4	4
CSF4: Achieving the benefits optimisation	3	3
CSF5: Affordability	1	3
CSF6: Planning permission	2	3
CSF7: Political Risk	3	2
Total (out of 20)	21	23



PREFERRED OPTION




- The SOC concluded that delivery of the CWR Development Proposals through a development agreement across the defined site with one development partner would best meet the strategic objectives set out and this included adherence to the CWR SPD, a key policy document and material consideration in the planning process.
- The SOC was approved at Cabinet in July 2021 and approval was given to proceed to progress the Outline Business Case (OBC) which has now been completed.

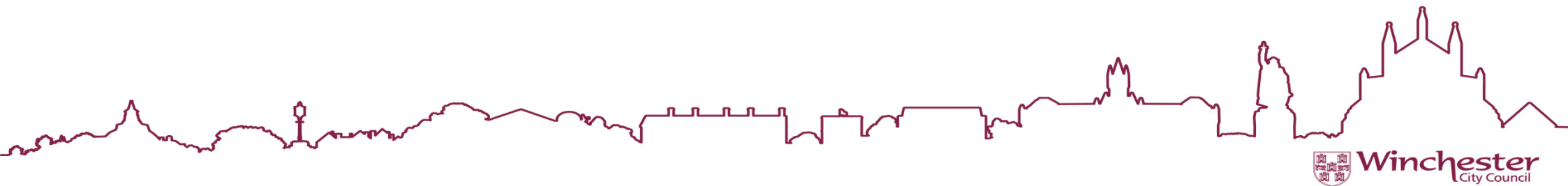
Outline Business Case







THE OUTLINE BUSINESS CASE

The work undertaken builds on the work carried out at SOC stage;

-  Analyses potential strategic and economic benefits from implementing the proposed development;
-  Analyses financial modelling to determine affordability and commercial viability;
-  Further expands on the proposed commercial approach and management of the development going forward.



THE OUTLINE BUSINESS CASE

-  OBC confirms that the CWR site will deliver the Council's investment objectives whilst fulfilling the aspirations of the SPD – **Strategic case**
-  OBC identifies that there will be significant, long lasting economic benefits to the Winchester economy from the development of the CWR site – **Economic case**
-  OBC outlines the key commercial principles and procurement approach to find a development partner – **Commercial case**
-  OBC confirms that the proposed development delivers a capital receipt.– **Financial case**
-  The OBC identifies that the redevelopment of Central Winchester is a considered, deliverable and realistic objective – **Management case**

THE OUTLINE BUSINESS CASE








- The OBC makes the case to progress to the Full Business Case stage but recognises further work on affordability will be required



Procurement Process



PROCUREMENT PROCESS

-  Publish Contract Notice
 -  All documents available to interested parties including Development Brief and draft tender documents
-  Selection stage to arrive at short list
-  Tender stage to engage in competitive dialogue to establish the solution that best meets the requirements described in the CWR SPD and Development Brief
-  Tender Evaluation
-  Preferred Bidder
-  Contract Award

Close



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