

**CABINET (STATION APPROACH) COMMITTEE**

**Monday, 25 March 2019**

Attendance:

Councillors

Godfrey (Chairman for the meeting)

Brook

Warwick

Standing Deputies:

Councillor Brook (deputy for Councillor Miller)

Other Invited Councillors:

Bell  
Cunningham

Hutchison

Apologies for Absence:

Councillors Miller and Burns

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1. **ELECTION OF CHAIRMAN FOR THE MEETING**

RESOLVED:

That, in the absence of Councillor Miller, Councillor Godfrey be elected Chairman for the meeting.

2. **MINUTES OF THE PREVIOUS MEETING HELD ON 18 DECEMBER 2018**

RESOLVED:

That the minutes of the previous meeting held 18 December 2018 be approved and adopted.

3. **PUBLIC PARTICIPATION**

Mark Baulch (Hampshire Chamber of Commerce) and Paul Spencer (Winchester BID) addressed the meeting as summarised below.

Mark Baulch emphasised the importance of the scheme for Winchester both in terms of direct and indirect economic benefits. The Chamber had been contacted by businesses unable to find suitable office accommodation within

Winchester and he believed there was a proven demand for Grade A office space. Without such provision, there was a danger businesses would relocate to other nearby towns. He also highlighted the importance of parking provision as potential employees might not live close to a train station reducing the benefits of commuting by rail.

Paul Spencer spoke in support of the scheme and concurred with points raised by Mr Baulch regarding demand from businesses and the importance of parking provision. Businesses acknowledged the desirability of Winchester as a location and the scheme also offered the opportunity to deliver enhanced public realm in the area. The scheme should provide improved links between the area into the town centre which would benefit the town economy generally.

4. **STATION APPROACH - OUTLINE BUSINESS CASE AND ASSOCIATED MATTERS (LESS EXEMPT APPENDICES)**  
(CAB3144(SA))

The Chairman introduced to the meeting the following consultants who were in attendance to provide further advice:

- Sarah Williams – S. Williams Architects (RIBA Advisor)
- Alex Lifschutz - Lifschutz Davidson Sandilands (LDS)
- Simon Ward – Propernomics

The Committee received a presentation on the progress of the scheme to date which was available to view on the Council's [website](#).

Members of The Overview and Scrutiny Committee had also received the presentation at the meeting on 20 March 2019.

The Chairman reported on the summary of the debate on the report by The Overview and Scrutiny Committee at its meeting on 20 March 2019 as set out below:

*In summing up, the Chairman of the Committee made the following statement:*

*That the Committee welcomed the potential job creation, supported the principle of development and recognised that the public realm was vitally important to the scheme.*

*The Committee requested to see a developed response to the recent public engagement and more information of what controls will be used to develop the scheme.*

*Concerns were expressed regarding the viability of the scheme, which the Committee considered would need further testing as the scheme progressed*

*The Committee agreed that the scheme be moved forward to obtain the outline planning permission required in order to secure Local Enterprise Partnership (LEP) funding and to further test viability.*

*In addition, it was noted that the Committee supported a leasehold disposal.*

**RESOLVED:**

*That the Portfolio Holder note the comments raised by The Overview and Scrutiny Committee, as set out above, to be drawn to the attention of Cabinet (Station Approach) Committee.*

The Head of Programme advised that the Local Economic Partnership (LEP) Board were due to meet later that week to make a final decision on the award of £5m funding. He emphasised that if awarded, the timetable imposed by the LEP for grant spend was by 31 March 2021.

The Chairman drew Members' attention to a summary of the Station Approach engagement to date which had been circulated to Committee Members prior to the meeting, in response to comments made at The Overview and Scrutiny Committee. The Head of Programme advised that the full consultation report would form part of the outline planning application.

The Committee discussed the points raised by The Overview and Scrutiny Committee, together with the contents of the report in detail, as summarised below:

- With regard to the illustrative design views of the Carfax scheme in the presentation, one Member commented about the lack of separation between the retained registry office building and new buildings proposed either side. Alex Lifschutz and Sarah Williams both acknowledged this point as one that could be considered further at the next design stage. Alex Lifschutz highlighted that the old registry office would need to be expanded in size in order to work effectively as a new restaurant/bar as intended. He also emphasised the firm's previous experience with designs incorporating old buildings.
- Regarding general comments about concerns expressed during the consultation about height and scale, the Head of Programme emphasised the importance for the scheme to be commercially viable and also the provision of a mix of building styles. In addition, the Local Plan provided for buildings up to five stories high on this site.
- Members discussed the degree of control over the development retained by the Council depending on the delivery approach selected. The Head of Programme and Sarah Williams emphasised that the outline planning application did include stipulations such as parameter plans, maximum area and height together with requirements on for example, building reveals in terms of window depth.
- Ms Williams and Mr Lifschutz both highlighted the importance of selection of the right developer in ensuring the vision for the area was achieved and the requirement for outline planning permission to be obtained to attract developers to the scheme.
- The Estates Manager advised that proposals included the possibility of disposal by a 250 year long lease which would enable the Council to retain a degree of control whilst having a negligible impact on the price achieved.

- The Head of Programme provided an update on the archaeology event that had taken place on 13 March 2019 which had generated a high degree of interest and enthusiasm. He emphasised that because of studies already undertaken in the area there was already a good amount of knowledge of the likely archaeology.
- The Head of Programme advised that a report on the comments raised during the most recent public consultation events would be provided to the next meeting of the Committee on 23 July 2019.
- Alex Lifschutz and Simon Taylor confirmed that County Council engineers had confirmed that the turning circle in front of the station was sufficient.
- The Committee noted that the approval of concept design approach for the Carfax development scheme was separate to approval for the associated public realm proposals. The public realm proposals would be the subject of a separate design and consultation process.. The Head of Programme explained that the two elements were being dealt with separately as they had different delivery and funding requirements, in addition to minimising risk to the scheme itself as the public realm element relied on a number of key partners (namely, Network Rail, South Western Rail and Hampshire County Council).
- One Member expressed concern that the public realm proposals did not adequately address issues of public access. However, it was noted that the public realm strategy had been agreed by the Committee at its previous meeting and the next more detailed stage of design work would give further consideration to these matters.
- The Head of Programme advised that of the £5m LEP funding bid for, approximately £3.5 - £4m would be allocated to the public realm, with the balance allocated to the Carfax scheme to enable preparatory works (for example, archaeology). He agreed to supply a detailed breakdown of costs submitted in the LEP bid to Committee Members, noting that these would be confidential.
- One Member questioned whether if the Council decided to dispose of the Carfax land, would the monies received be sufficient to cover the costs spent on the scheme so far? The Head of Programme advised that the land value had not yet been fixed but it was possible that receipts would be less than monies spent to date. However, if a leasehold disposal was agreed there would be ground rent payable. The Council would receive an element of business rates paid by future occupiers. The Committee noted that the delivery method adopted would impact on future income and was also an important consideration in ensuring the appropriate levels of quality of the scheme were retained.
- The Head of Programme confirmed that the Outline Business Case demonstrated that the scheme was commercially viable.

The Committee then moved into exempt session to discuss the contents of the exempt appendices, before returning to open session to consider the report's recommendations.

The Committee agreed to the following for the reasons set out above and outlined in the report.

## RESOLVED:

1. That the comments received through the pre-planning public consultation exercise and the responses to those comments be noted.
2. That the RIBA Stage 2 (concept design) work for the proposed Carfax development scheme in paragraphs 11.20 to 11.25 of the report be approved.
3. That the concept design approach for the associated public realm proposals for Station Hill and Station Road as detail in paragraphs 11.28 to 11.29 of the report be approved.
4. That following consideration of the evidence and information provided in the outline business case the Head of Programme be authorised, in consultation with the Head of Legal Services, to investigate further the two preferred delivery approaches of 1. income strip or 2. sale with planning permission as detailed in paragraphs 11.18 to 11.19 of the report.
5. That the Head of Programme be authorised to submit an outline planning application for the Carfax development scheme on the basis of the RIBA Stage 2 Design Work.
6. That the Head of Legal Services be authorised, in consultation with the Head of Programme, to:
  - a) appoint a firm of solicitors under an EU compliant framework to obtain legal advice on the options available to the Council;
  - b) explore further the Council's preferred way forward for delivery of Station Approach;
  - c) carry out such legal work as may be required;
  - d) in the event of a mini competition to determine the price/quality ratio in accordance with the terms of such framework to enable an appropriate appointment to be made.
7. That the Head of Programme be authorised to retain the services of Bevan Brittan for initial legal advice up to the appointment of a firm of solicitors under Contract Procedure Rule 2.4(a).
8. That the Corporate Head of Asset Management (if it is deemed necessary) be authorised to publish a Prior Information Notice before carrying out any soft market testing in advance of any potential future procurement exercise for development of the site.

5. **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>
6	Station Approach – Outline Business Case & Associated Matters (exempt appendices)	) Information relating to the ) financial or business affairs of ) any particular person (including ) the authority holding that ) information). (Para 3 Schedule ) 12A refers)

6. **STATION APPROACH - OUTLINE BUSINESS CASE AND ASSOCIATED MATTERS (EXEMPT APPENDICES)**

CAB3144(SA)

The following consultants remained in the room during the exempt session in order to provide further advice as appropriate:

- Sarah Williams – S. Williams Architects (RIBA Advisor)
- Alex Lifschutz - Lifschutz Davidson Sandilands (LDS)
- Simon Ward – Propernomics

The Committee considered the contents of the exempt appendices to the report which contained the following sections of the Outline Business Case: Economic Appraisal; Financial Appraisal; and Commercial Appraisal.

Simon Ward provided a summary of the economic appraisal prepared by Grant Thornton which indicated that the scheme would be very beneficial in terms of employment. Mr Ward commented that high quality office accommodation was in short supply in the Winchester town area and it was considered that there was a difference between rent previously achieved and what could be achievable in a high quality new scheme.

The Head of Programme confirmed that MACE had advised that the levels of costing for the scheme were within the right range of costs for a high quality scheme of this type.

The Estates Manager acknowledged that pre-let agreements were relatively unusual but might be possible given the particular circumstances in Winchester. For example, he advised that some businesses currently based in Winchester had indicated that they would have to leave the town due to a shortage of suitable office accommodation and other firms had contacted the Council interested in relocating to Winchester. In addition, Alex Lifschutz and Simon Ward highlighted the potential for co-worker space operatives to commit to the scheme.

Simon Ward confirmed that if agreed, the scheme could have a positive knock-on impact on other office accommodation and businesses in Winchester.

RESOLVED:

That the content of the exempt appendices be noted.

The meeting commenced at 4.30 pm and concluded at 6.30 pm

Chairman