

CABINET**Wednesday, 22 December 2021**

Attendance:

Councillor Thompson (Chairperson)	– Leader and Cabinet Member for Partnership Working
Councillor Cutler (Vice-Chair)	– Deputy Leader and Cabinet Member for Finance and Service Quality
Councillor Clear	– Cabinet Member for Communities and Wellbeing
Councillor Gordon-Smith	– Cabinet Member for Built Environment
Councillor Learney	– Cabinet Member for Housing and Asset Management
Councillor Tod	– Cabinet Member for Economic Recovery
Councillor Williams	– Cabinet Member for Climate Emergency

Others in attendance who addressed the meeting:

Councillors Horrill and Lumby

[Full audio recording and video recording](#)**1. MEMBERSHIP OF CABINET BODIES ETC.**

There were no changes to Cabinet bodies to be made.

2. DISCLOSURE OF INTERESTS

Councillor Tod declared a personal (but not prejudicial) interest in respect of reports due to his role as a County Councillor.

3. PUBLIC PARTICIPATION

Ian Tait and Paul Spencer (Winchester BID) spoke during public participation regarding report CAB3322 as summarised under the relevant minute below.

4. LEADER AND CABINET MEMBERS' ANNOUNCEMENTS

The Leader and Cabinet members made a number of announcements as summarised briefly below.

Councillor Thompson

Welcomed Councillor Hannah Williams as the new Cabinet member for Climate Change.

Councillor Tod

Announced that the council would provide further details via its website regarding how hospitality businesses could apply for the government's recently announced new grants to help alleviate the difficulties caused by the ongoing Covid pandemic.

5. **CENTRAL WINCHESTER REGENERATION (CWR) OUTLINE BUSINESS CASE (LESS EXEMPT APPENDIX)**
(CAB3322)

Councillor Learney introduced the report. She thanked the Scrutiny Committee for the comments made at its meeting on 6 December and drew cabinet's attention to a summary of the responses at paragraphs 6.27 to 6.49 of the report. She also made reference to a statement received from Ross McNally (Chief Executive, Hampshire Chamber of Commerce) in support of the proposals as set out in the report.

The Head of Programme gave a presentation summarising the previous steps taken to reach the current stage of the central Winchester regeneration process. The presentation is available on the council's website [here](#).

Two representations were made during public participation as summarised briefly below.

Ian Tait

Highlighted the length of time that discussions had been taking place on regeneration of the area and the requirement for action to be taken without further delay. Queried how the decision to remove two businesses from Kings Walk fitted with the aspiration for a vibrant local economy. Emphasised the shortage of affordable homes in the district and suggested that the old Friarsgate medical centre be demolished and replaced with affordable housing as a quick start to the redevelopment.

Paul Spencer (Winchester BID)

Thanked the council's project team and members for keeping the Winchester BID informed of proposals at their forum meetings. BID Forum attendees had been overwhelmingly positive in their support of the proposals and were keen to see the scheme progress. The outline business case was supported and the BID looked forward to the selection of the development partner.

At the invitation of the Leader, Councillors Lumby and Horrill addressed the meeting as summarised briefly below.

Councillor Lumby

Supported the principle of redevelopment of the area but considered the approach being proposed was unlikely to succeed and if it did, would be too expensive due to lack of interest and competition. Had concerns about the absence of measures proposed for the council to control the selected developer with consequential risks that the developer could "cherry pick" more profitable elements of the scheme and leave other

sections un-developed. Highlighted the consultant costs incurred to date and further proposed in the report. Queried why the costs and commitment to delivering a net zero carbon scheme were not included?

Councillor Horrill

Thanked officers for meeting with conservative group members to answer questions and concerns. Confirmed that the conservative group supported the regeneration of central Winchester in lines with the supplementary planning document (SPD). However, believed that the current proposals missed vital opportunities, had not learned from previous experience and risked not delivering the requirements of the SPD. Asked a number of specific questions regarding various elements of the outline business case. Did not believe that full council would be given the opportunity to fully debate the approach proposed.

The Council's legal adviser, Stephen Matthew, responded to points raised in relation to the retention of the compulsory purchase order powers and confirmed that the leasehold approach was the council's default position. He also outlined the control and protection afforded to the council by the development approach proposed.

Jennifer Newsham and Katie Kopec (JLL) responded to the points raised in relation to the lack of current costing for a net zero carbon approach as noted in the outline business case and explained in the report. Ms Kopec advised that market testing had demonstrated that this would be an attractive site to market and she believed there would be sufficient competition from potential developers.

The Head of Programme emphasised that the SPD would provide the guiding principles for the development and included the aspiration to deliver exceptional public realm and public open space within the scheme. Further work had been undertaken with stakeholder groups on public realm guidance and this would be published in the New Year. She also outlined the council's approach to archaeology in the development area, including emphasising that the council was taking the advice of the Archaeology Panel and that the Archaeology Statement would be attached to the development brief.

The Strategic Director and Monitoring Officer explained that recommendation 1 of the report (resolution 2 as set out in the minute below) was for Cabinet to approve the outline business case. Recommendations 2 to 7 of the report (resolutions 3 to 8 as set out below) were subject to the approval of full council at its meeting on 12 January 2022 of a further recommendation to authorise the relevant Strategic Director "to initiate and conduct the procurement process for the selection of a development partner for the Central Winchester Regeneration project".

The Strategic Director and Section 151 officer responded to questions relating to the affordability of the scheme and confirmed that the financial case did conclude that the development was viable, subject to a number of assumptions as previously discussed. He highlighted the uncertainty in relation to the loss of income stream from existing businesses within the development area which, if

not possible to replace, would require further consideration by Cabinet in the future.

At the invitation of the Leader, Councillors Lumby and Horrill both confirmed they did not wish to make any representations on the exempt appendix. Cabinet agreed there was no requirement to move into exempt session as they did not wish to ask any questions or have any debate on the exempt appendix.

During debate, Cabinet members expressed their support for the proposals and, in particular, the requirement to move forward without further delay.

Cabinet agreed the following for the reasons set out above and outlined in the report.

RECOMMENDED (TO FULL COUNCIL):

1. That the Strategic Director with responsibility for the Central Winchester Regeneration project be authorised to initiate and conduct the procurement process for the selection of a development partner for the Central Winchester Regeneration project.

RESOLVED:

2. That the Outline Business Case set out at Appendix D and Exempt Appendix E of the report be approved and adopted and it be noted that a Full Business Case will be presented to Cabinet for approval as indicated in the Outline Business Case and authorises the Strategic Director with responsibility for the Central Winchester Regeneration project to proceed with the preparation of the Full Business Case.

That subject to the agreement of Full Council (recommendation 1 above);

3. That a 70% quality to 30% commercial evaluation weighting be adopted as a derogation from the council's Contract Procedure Rules (paragraph 29) in order to reflect the council's aim for a high-quality scheme and to use the competitive dialogue procurement procedure.

4. That the Stage 1 Selection Questionnaire Suitability Technical Questions and associated weightings be adopted as set out at Appendix A of the report.

5. That the procurement Stage 2 Evaluation Award Criteria and associated weightings be adopted as set out at Appendix B of the report.

6. That the commercial approach contained in the Commercial Case of the Outline Business Case and the Commercial Principles Paper set out at Appendix C of the report be adopted and in particular it be noted that the Central Winchester Regeneration procurement will be on the

basis of a single developer delivering the scheme under a development agreement as decided at CAB3303.

7. That authority be delegated to the Strategic Director with responsibility for the Central Winchester Regeneration project in consultation with the Portfolio Holder Asset Management to finalise all documentation for the procurement process, including any minor or necessary amendments and to progress such procurement, using the competitive dialogue procedure, approve and take forward short listed bidders. At the conclusion of the procurement process Cabinet approval will be sought for the appointment of the preferred development partner.

8. That expenditure of £733,000 be approved from the remaining £1.085m budget allocated to the Central Winchester Regeneration project to enable officers to progress the procurement and preparation of a Full Business Case.

6. **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>
7	CWR Outline Business Case (exempt appendix)) Information relating to the financial or business affairs of any particular person (including the authority holding that information). (Para 3 Schedule 12A refers)))

7. **CENTRAL WINCHESTER REGENERATION (CWR) OUTLINE BUSINESS CASE (EXEMPT APPENDIX)**

Cabinet agreed the following for the reasons outlined in the report.

RESOLVED:

That the contents of the exempt appendix be noted.

The meeting commenced at 9.30 am and concluded at 11.00 am

Chairperson