

REPORT TITLE: DRAFT CWR DEVELOPMENT PROPOSALS

10 NOVEMBER 2020

REPORT OF CABINET MEMBER: Cllr Kelsie Learney - Cabinet Member for Housing and Asset Management

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WARD(S): TOWN WARDS

PURPOSE

This report provides an update on the progress on the Central Winchester Regeneration (CWR) project, with the CWR Supplementary Planning Document (SPD) (2018), climate emergency declaration (2019) and council plan (2020 – 2025) as key guides to delivery.

Following adoption of the CWR SPD and feedback received from the three different scenarios shared in February 2020, the council intends to hold a period of consultation on the draft development proposals for the site. Alongside the draft development proposals, the council will share the emerging delivery strategy.

RECOMMENDATIONS:

1. That Cabinet;
 - a. Approves commencement of a period of consultation on the draft Central Winchester Regeneration development proposals from 11th November 2020 to 12th January 2021
 - b. Instructs the project team to progress the schemes for Kings Walk and Friarsgate Medical Centre to the next stage of decision making
 - c. Notes the emerging delivery strategy approach is to enter in to a

development agreement with a development partner and a further report be brought to Cabinet that sets out the proposal for development in due course.

IMPLICATIONS:1 COUNCIL STRATEGY OUTCOME

- 1.1 Progress on CWR supports the council plan priorities by working to deliver a vibrant new mixed use development that will be creative and innovative to help reach the net carbon zero targets for the district of 2024 and 2030. The CWR Supplementary Planning Document (SPD) details aims and objectives for the scheme and a planning and urban design framework which are in alignment with the council plan priorities.
- 1.2 The draft development proposals incorporate the objectives and guidance set out within the SPD.
- 1.3 The scheme will deliver towards the homes for all priority through the residential element of the development. It will support a vibrant local economy by working to fill the gap of affordable and flexible commercial space, enhancing the evening economy offer and creating an area aimed at attracting and retaining the young and creative talent in the City.

2 FINANCIAL IMPLICATIONS

- 2.1 The CWR project to date has had a total revenue budget of £768,000 all of which is either spent, committed or allocated.

Spent = £415,030

Currently committed = £101,837. This includes archaeology investigation works, communications and consultation support and hotel feasibility study.

Currently allocated = £251,133. This includes archaeology investigation works, communications and consultation, legal fees and improvements / repairs for Kings Walk. Budget required to carry out the period of consultation on the draft CWR development proposals and preferred delivery strategy has been allocated from within the existing CWR budget.

- 2.2 Further budget will be required to progress the scheme once the draft CWR development proposals and preferred delivery strategy have been approved in early 2021. This budget allocation will be considered as part of the council's budget setting process for 2021/22.
- 2.3 A capital budget of £50,000 has been allocated to the CWR project to progress the LOWE Property Guardians proposal for Coitbury House. No other capital budget has been allocated.
- 2.4 The budgetary implications and financial risks of different options for a delivery strategy are an important part of decision making, as is consideration of whether the progression of the scheme is affordable to the council in the current financial circumstances.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The main purpose of this report is to progress consultation on the Draft Central Winchester development proposals which includes consideration of the delivery mechanism.
- 3.2 Consultation sits with section 3(2) of the Local Government Act 1972, is very widely framed and required to be fulfilled prior to a "high level" decision, strategy, policy or approach, and not (for example) to award and enter into a particular contract. Section 3 is not a duty to make public consultation; it's a duty to consult "representatives". Public consultation is about the wider public discussion and arises from a common law duty of fairness.

4 WORKFORCE IMPLICATIONS

- 4.1 Specialist consultant support from Jones Lang LaSalle (JLL) and Arup will continue to be required to carry out the consultation period and finalise the draft development proposals. Budget has been allocated to cover the associated fees up to the point of approval in February 2021.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 There may be significant impacts on the council's Central Winchester Estate as the project moves in to the implementation phase.
- 5.2 As the delivery strategy emerges, a series of acquisitions and disposals may be required to enable development but this programme is not known at this stage.
- 5.3 Plans are being devised to ensure a smooth transition from the current position to the development stages.
- 5.4 The development of CWR will be phased to allow for incremental delivery so care needs to be taken to protect the business of existing tenants and the council's rental income.
- 5.5 Detailed analysis is underway to model the impact of a phased approach on the council's capital and revenue position to enable development delivery to be financially affordable and to minimise risks to the council.

6 CONSULTATION AND COMMUNICATION

- 6.1 Engagement and consultation has taken place to date through all stages of the evolution of the SPD, as well as subsequent Open Forum events.
- 6.2 Engagement on the SPD started in March 2017. The engagement process included a Community Planning Weekend held on 24 and 25 March 2017 attended by over 700 people. Other activities involved individual meetings, community roadshows, focus group workshops and surveys, including users

of the bus station and car parks. In all, over 1,500 people contributed to the process.

- 6.3 The formal consultation on the draft SPD started on 11 December 2017 and ran until Monday 5 February 2018. Exhibition boards were placed on display in The Brooks Shopping Centre and a week-long, staffed, touring exhibition ran at various times and locations across the district. We had over 1,000 interactions with visitors to the exhibition events and 210 written responses were received.
- 6.4 Following extensive work undertaken on proposals for the site, based on the adopted SPD, options for the site were presented to stakeholders and the public at an Open Forum Event hosted on 17th February 2020.
- 6.5 Feedback from this event was shared with the Open Forum Panel and the Cabinet Member Decision Day on 10th March 2020.
- 6.6 During the period March 2020 to October 2020, a number of stakeholder engagement sessions on elements of the project have also taken place. These discussions have fed into the draft development proposals.
- 6.7 The draft development proposals will now be shared with all stakeholders and the public. We will be hosting a number of public consultation events in the coming weeks.
- 6.8 Full details of the consultation programme are outlined later in the report.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 Consideration of the carbon emission impact of development, transport implications and the sustainability of the scheme is a critical part of the development process. The scheme is being devised within the policy framework set by the SPD, the Council Plan and the Council's Carbon Neutrality Action Plan.
- 7.2 Expert advice is being obtained through the council's strategic development advisors, JLL and Arup. More locally WinACC are engaged through the Open Forum Panel, and the council's internal team are fully involved.
- 7.3 The council has considered the carbon impact of wider re-use of existing structures on the development site, rather than wholesale demolition. Retaining Kings Walk will have a lower carbon footprint compared with new-build construction as a result of reduced demolition works, reprocessing of waste materials and waste sent to landfill. It also avoids manufacture, transport and construction of certain new elements.

8 EQUALITY IMPACT ASSESSEMENT

- 8.1 The approach to consultation will include consideration of the needs of all groups including those who fall within the vulnerable sector defined in the

Equalities Act 2010. We will ensure that consultation sessions and activities to enable everyone has the opportunity to take part in accordance with the Equality Act 2010.

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 Any data collected as a result of the consultation process will be kept confidential and will not be used for any other purpose unless further permission is sought and agreed from the participant.

10 RISK MANAGEMENT

- 10.1 Every effort is being taken throughout the consultation period to ensure stakeholder and members of the public can have their say on the draft CWR development proposals. A wide range of methods are being used to reach as many people as possible and these include both digital and hard copies of documents where appropriate.
- 10.2 The draft CWR development proposals show what the CWR area could look like and how the council might bring the scheme forward.
- 10.3 The emerging delivery approach is that the council procures a development partner to drive development of the scheme, and to share the risks involved in development of the CWR area. It is recognised that there are lessons that have been learned from the previous undelivered Silver Hill scheme. It is important that these are incorporated into any future development agreement, and that the council is very clear about the “must have” requirements of such a legal agreement with a development partner.
- 10.4 The council has already taken steps to acquire land within the area so that there is more control over the development, how it will be delivered and how a development partner is procured.
- 10.5 The council has reviewed the findings from the Silver Hill judicial review and will work to make sure any new procurement process is appropriately legally robust.
- 10.6 Key considerations explored as the council works up a delivery approach are outlined in section C: Emerging delivery strategy later in this report.
- 10.7 Each consideration has a risk element attached;
- a) Control – the councils emerging approach to delivery is to find a development partner and any development agreement entered in to will need to contain sufficient control so that end development remains true to draft proposals. Key elements of the draft proposals must therefore be agreed and, together with clear expectations on phasing and design features, written in to any legally binding development agreement.

- b) Speed – the council wants to move as quickly as practicable to bring forward development of the CWR area to bring about change over time. The risk of moving too quickly is that although some areas of the development proposals may come forward early, the delivery of the wider scheme may be compromised due to viability and/or marketability of the remaining phases. The risk of moving too slowly is that the public and stakeholders will lose confidence that the council can deliver the CWR development proposals and the viability of the scheme becomes questionable. Work is being carried out through soft market testing to seek views of developers in the market on the CWR development proposals and phasing so that informed decisions can be made.
- c) Risk – overall, development on the CWR area is challenging with viability, marketability, resources, finance and planning all key to delivery. If the council were to contract with a development partner, the risks would be shared and therefore the council’s exposure reduced.
- d) Cost – developing the CWR site will require considerable investment and the council needs to consider how best to secure funding to enable delivery across the site. The council needs to undertake a development that has an acceptable financial risk exposure, especially in the midst of the current COVID 19 pandemic. By finding a suitable development partner, the costs will be shared and the financial burden on the council reduced.
- e) WCC Expertise – considerable resource and experience will be needed to bring forward the CWR area. The council has considerable internal expertise, but also needs to ensure there is sufficient capacity to enable development to progress. By working with a partner to deliver the CWR area, the council would benefit from specialist expertise to help deliver the vibrant and creative development that Winchester deserves.

10.8 Please see appendix A for the detailed CWR Risk Register.

11 SUPPORTING INFORMATION:

Section A: DRAFT DEVELOPMENT PROPOSALS

- 11.1 Following an extensive period of public and stakeholder engagement in 2017 and consultation in 2018, the Central Winchester Regeneration (CWR) Supplementary Planning Document (SPD) was adopted in June 2018.
- 11.2 The vision set out in the SPD is for “delivery of a mixed use, pedestrian friendly quarter that is distinctly Winchester and supports a vibrant retail and cultural/heritage offer which is set within an exceptional public realm and incorporates the imaginative re-use of existing buildings”.

- 11.3 The SPD sets out nine key objectives that development on the CWR site should to meet:
- a) Vibrant mixed use quarter; a new quarter for the Winchester offering a wide range of uses that will complement and enhance the existing city offer.
 - b) Winchesterness; local distinctiveness in keeping with the historic context whilst providing for the needs of the 21st century, drawing on the rich heritage and culture that makes Winchester unique.
 - c) Exceptional public realm; a network of streets and spaces, incorporating water feature where possible, that reflect the spirit of the city and reinforce the existing local street pattern.
 - d) City experience; an area that further enriches the distinctive brand of the city creating a place of experience, including retail, cultural/heritage, food, leisure and markets.
 - e) Sustainable Transport; a pedestrian and cycle friendly environment that encourages and promotes active travel and reduces dependence on other modes of transport.
 - f) Incremental delivery; a flexible framework of streets and spaces that enables and supports phased delivery, reducing risk and capturing variety.
 - g) Housing for all; increasing the city centre's residential capacity by providing a diverse range of housing typologies and affordability.
 - h) Community; the development process should build on the sense of community engagement undertaken to date, harnessing the enthusiasm and creativity of the local community.
 - i) Climate Change and sustainability; new development should be designed to be resilient to and minimise its impacts on climate change

Please click here to access the [Central Winchester Regeneration Supplementary Planning Document](#)

- 11.4 The Council, supported by JLL and Arup (the Councils strategic development consultants), completed a Competitive Positioning report which highlighted the strengths and opportunities that development in Winchester could build on.
- 11.5 One of the key aims for the development of the CWR site is to address the gap in younger people choosing to live and work in the city.

Lack of opportunity, affordability and leisure activities leads to younger, local talent present in schools and universities moving away, sometimes returning later in life.

This is resulting in an increasing disparity between the younger demographic and the older generation living in the city, which could have a detrimental impact over time on the social mix within the city and the local economy.

The CWR site is ideally placed to provide a destination that can help to address these issues.

- 11.6 Based on the competitive positioning work and guided by the SPD, three different development scenarios were devised that tested what the site could look like.

The scenarios were shared at the CWR Open Forum in February 2020 and were;

- a) Business not as usual – a commercially led scheme
- b) Homes for all – a residentially led scheme
- c) Destination max – a culturally led scheme.

- 11.7 The schemes were devised to test the different range of uses outlined in the SPD and also considered different levels of building retention in response to the Climate Emergency Declaration and subsequent Action Plan.

- 11.8 Feedback received from the open forum was then considered as proposals for the scheme were developed alongside:

- a) SPD vision and objectives, the Winchester Movement Strategy, the Vision for Winchester and Climate Emergency Declaration
- b) Viability – important to understand how the CWR scheme can be delivered incrementally yet achieve a joined up cohesive development. Some uses are more profitable than others, and therefore the whole scheme needs to be understood prior to implementing delivery
- c) Phasing - to understand how the scheme could be delivered incrementally over a period of time to end up with the overall development. Some phases need to be complete to unlock others therefore phasing is key.
- d) Delivery options – soft market testing to understand the appetite in the development market for the different delivery options. Understanding the Councils priorities to reach an approach that satisfies both.

- 11.9 The draft proposals deliver a mix of uses in line with the ranges set out in the SPD and allow for provision of exceptional public realm and imaginative

reuse of existing buildings. The draft development proposals for the CWR site can be seen at appendix B.

Section B: DRAFT CWR DEVELOPMENT PROPOSALS AND THE SPD

- 11.10 It can be seen from the tables below that the amount of space allocated to the mix of uses broadly reflects the ranges within the SPD. The draft CWR development proposals sit broadly towards the lower ranges outlined in the SPD to allow for a greater emphasis for delivery of public realm.
- 11.11 There is small variation around the amount of *retail space between the SPD quantum and the draft development proposals as this reflects the changing nature of the retail environment recently and the allocation of mixed use space allows for a more specialist, boutique retail offer within the mixed use element of the draft proposals.

TABLE 1: Comparative quantities and types of land uses

Land Use	Ranges in the SPD	Draft Development Proposals
Retail and food and beverage	3,000 – 8,900 m ²	* 2,760 m ²
Mixed use (office, culture/heritage and leisure uses)	2,700 – 13,000 m ²	10,320 m ²
Residential	12,900 – 29,000 m ²	19,086 m ²
Total	18,600 – 50,700 m²	32,166 m²

- 11.12 The draft CWR development proposals have been shaped by the SPD, public and stakeholder engagement, viability and market deliverability and can be explained using key themes;
- a) Live
 - b) Work
 - c) Play
 - d) Movement
 - e) Public realm
 - f) Sustainability

Live

- 11.13 Key to delivering a vibrant, mixed use community on the site is to provide housing for all with a range of different mixes and tenures. The draft proposals include provision for a mix of market and affordable units together with a range of tenures. Currently this amounts to circa 200 housing units. Soft market testing will help to shape the final mix but options may include build to rent, private and affordable offers.
- 11.14 In line with guidance in the SPD, the residential element of the site will be within the range set out in the quantum of uses and will be located largely towards the east of the site which is quieter and positioned to take advantage of green open spaces and waterways.

The environment will be welcoming to all ages and provide well thought out, high quality places to meet and socialise outdoors.

SPD Objectives achieved: Vibrant Mixed Use Quarter, Housing for all, Community

Work

- 11.15 Creating spaces where people want to work in the city is one of the most crucial elements of this development to ensure the future prosperity for the city and district.
- 11.16 The way people work and the demand for employment spaces, and patterns of work and home life, is changing – especially in the current COVID 19 situation. Work space within the CWR site will be within the quantum range set out in the SPD and dedicated to creative, flexible working places designed to inspire enterprise and help grow new companies.
- 11.17 Incubator hubs where new business start-ups are given space to flourish allow like-minded professionals to support each other by sharing skills, ideas and resources to help achieve their ambitions.

SPD Objectives achieved: Vibrant Mixed Use Quarter, City Experience, Community

Play

- 11.18 The CWR site will deliver places where people will want to spend time, to enjoy outside spaces, to experience new things or to get involved in something that interests them.
- 11.19 The spaces will provide an opportunity to bring the city's heritage and creativity to life in the heart of the city centre – spaces for outdoor performance, for children's entertainment, music events, community festivals, pop up retail spaces.
- 11.20 There will be opportunities for people to come together in a place that is safe, attractive and accessible for all. The western end of the site will be

dedicated to more active uses – such bars, restaurants and other leisure activities. The eastern end will include more peaceful settings including a riverside walk with carefully planned views across to the Guildhall and Cathedral.

There will be the opportunity to embrace the desire for a place people want to go in the evening – creating a night time economy within the CWR site that the city currently lacks.

SPD Objectives achieved: Vibrant Mixed Use Quarter, Exceptional Public Realm, City Experience, Community

Movement

- 11.21 The proposals have been developed with people as a priority.
- 11.22 There will be a network of streets, following guidance outlined in the SPD, to allow enjoyable easy access throughout the site with connections to routes across the city.
- 11.23 Consideration has also been given to safe routes for pedestrians and cyclists, whilst allowing access for deliveries and service vehicles.
- 11.24 There would be a phased approach to delivering the provision for buses.

The draft CWR development proposals include a short to medium term approach, with an integrated solution to accommodate buses within the site. The proposed solution is an on street bus provision with new, improved facilities that are set within a transformed public realm. This allows for bus passengers to retain access to the heart of the city whilst unlocking delivery on the CWR site and retaining flexibility longer term to respond to the Winchester Movement Strategy outcomes.

As outlined in the SPD, there is a desire to remove buses from the pedestrian zones across the CWR site but there is recognition that this is the desired end state and in order for that to happen, good quality infrastructure needs to be in place in an alternative location.

The location highlighted for the end state is a bus hub at Middle Brook Street car park and as the CWR development comes forward and WMS outcomes start to become clear, this remains an option for the final development phase in line with the SPD.

- 11.25 The approach outlined above and reflected in the draft CWR development proposals has been developed after extensive work, in collaboration with Hampshire County Council (the Highways Authority) and the bus operators that use the current bus station.

SPD Objectives achieved: Exceptional Public Realm, Sustainable Transport, Climate Change and Sustainability

Public realm

- 11.26 It is important that the site has a character of its own and the public spaces that knit the buildings together will create this. High quality materials and use of lighting and green spaces will be crucial.
- 11.27 The feel of the areas across the site and the character of the streets and spaces will change based on its use – offering different environments and experiences. There will be intimate, quieter spaces for sitting and meeting friends along the riverside, to more vibrant, brighter and active areas for public performance, places to eat and enjoy company to the western end of the site.
- 11.28 We have explored many options for including green infrastructure and creating biodiversity across the site. Opening up some of the waterways that exist beneath the site will help create the character for the area for people to enjoy.

SPD Objectives achieved: Winchesterness, Exceptional Public Realm, City Experience, Community

Sustainability

- 11.29 Winchester City Council declared a climate emergency in June 2019. The council is now committed to becoming a carbon neutral council by 2024, and for the wider district to become carbon neutral by 2030. The council's Carbon Neutrality Action Plan aims to reduce the carbon footprint by focussing on planning and development, along with seven other priority areas.
- 11.30 Development of the CWR site will:
- a) ensure all new buildings conform to rigorous building performance standards, including energy usage
 - b) ensure the reuse of materials through our construction wherever possible
 - c) employ a comprehensive water management strategy to address water use across the site
 - d) extend our a waste management strategy to include each element of the site
- 11.31 Alongside these measures the proposals also focus on creating a sustainable future for the city itself – by attracting and retaining young people

to live and work here – to help ensure future economic health and long term sustainability of the city.

This will be achieved by offering a mix and diversity of affordable and private housing, by creating access to employment opportunities and support for start-up businesses and creating exciting spaces where young people want to spend time.

SPD Objectives achieved: Sustainable Transport, Climate Change and Sustainability

Section C: EMERGING DELIVERY STRATEGY

11.32 In tandem with work on the draft development proposals, options for delivery of the final scheme have been explored. Key considerations for the council when arriving at a suitable approach include;

- a) **Control:** What level of council control is needed or desired?
- b) **Speed:** The desire to deliver quickly but understanding how the challenges around the site affect the timing and phasing of the scheme
- c) **Risk:** What level of risk is it right for the council, as a public body serving the whole district, to take?
- d) **Cost:** How does the viability of the scheme and the current financial situation affect deliverability and affordability?
- e) **WCC Expertise:** What expertise will be required to bring forward the vision and where best to secure that expertise?

11.33 Options considered to be most appropriate in these circumstances are;

- a) The council acting as master developer, responsible solely for delivery across the whole site including detailed plans, submission of planning application, devising the phasing approach, provision of bus solution and public realm and funding the enabling work and wider development plots.
- b) The council joining forces with a development partner to deliver the CWR site to share the risk of progressing the detailed plans and planning application process together with funding but also drawing on the extra specialised resources a partner could bring.
- c) The council setting up a Joint Venture with a partner to deliver development sites across the council's property portfolio, entering in to a corporate agreement to deliver more sites in addition to Central Winchester Regeneration.

The considerations associated with the three options can be seen at appendix B and based on those considerations, the emerging delivery option is that the council procures a suitable development partner for the development of the site.

- 11.34 By entering in to a legal agreement with a suitable development partner, the council can agree the key aspects for delivery of the CWR area and establish firm agreement as to how and when the development comes forward. The terms of any agreement can be balanced to ensure the vision of a vibrant and mixed use scheme comes forward in phases so that the aspirations are achieved in the long term but that creativity, expertise and funding are secured.
- 11.35 When looking to the market for a development partner, the council can specify in the brief those key factors that need to be embedded in the CWR development proposals as they come to implementation. This will ensure that from the outset, potential development partners understand the vision and objectives of the council.
- 11.36 The CWR development will come forward in phases so it is important that the council works with the chosen development partner to ensure the phases are implemented in line with the overall vision and objectives of the SPD to ensure a cohesive end result.

There are developers in the market that share the council's values with regard to the CWR site and finding a partner that is aligned with the WCC vision and aspirations will be a top priority. The aim would be to find a partner that wants to invest in Winchester for the long term and wants to bring about the transformation not just for the CWR site but for the benefit of the wider local community and economy.

The added expertise that a partner could bring will help to ensure that the vision of a mixed use, creative quarter within the heart of the city with exceptional public realm and imaginative re-use of existing buildings becomes a reality.

SPD Objective achieved: Incremental delivery

Section D: CONSULTATION PROPOSALS

- 11.37 We will consult with the public and stakeholders in the coming weeks to share the draft development proposals. All those who participate in the consultation events will be encouraged to share feedback. All feedback will be collated through Citizen Space and will be considered when finalising the proposals.

Activity will include:

- a) One to One Briefings

b) Stakeholders will be invited to attend one-to-one briefings on MS Teams.

c) Online Consultation Sessions

Open sessions will be set up and publicised through the media and on social media platforms. We can offer guidance on setting this up for individuals who may not currently use it. Session slots will be offered over a series of weeks and varied times of the day to ensure all who want to take part and are able to do so – to fit in around work or family commitments.

d) Exhibitions Virtual & Physical

A virtual exhibition room will be hosted online to showcase the proposals and answer questions from residents and stakeholders and link to Citizen Space to gather feedback. We will place exhibition posters on the Broadway, signposting to the virtual exhibition

e) Flyer

We will produce a flyer to introduce the proposals with clear images and information about the plans, including details of the virtual exhibition. This will be sent out digitally.

f) Webpage

We will set up a dedicated page on the council website to include:

- Information about the plans
- Link to virtual exhibition
- Details of online consultation sessions
- Link to Citizen Space to gather feedback

g) A timeline of activity is included at appendix C.

11.38 We will encourage people to get involved through:

a) Media activity – media releases will include detailed information about how to get involved, and updates will be issued during the consultation period to encourage more people to sign up to the sessions and visit the virtual exhibition

b) Regular social media posts, including links to register for an online consultation session and how to visit the virtual exhibition

c) Updates to CWR database

d) Council owned platforms, including Your Council News and About Winchester, will include full details of how to get involved by signing

up for an online consultation session and by visiting the virtual exhibition

- e) Website homepage will drive people to sign up and to visit the virtual exhibition

12 **Kings Walk Update**

- 12.1 Following completion of the Kings Walk feasibility study in August, the council is looking at options to bring forward delivery of a vibrant mixed use creative hub in the existing buildings at Kings Walk to fit with and sit within the wider CWR scheme.
- 12.2 The feasibility study was conducted by Turner Works and Worthwhile Works and looked in to the local demand for creative space from artists, makers, young entrepreneurs and independent local businesses. Factors explored were the level of demand for the different uses, the type of space needed, the terms that potential would be looking for with regard to rent and length of commitment and what other similar hubs are operation in surrounding areas.
- 12.3 The findings went on to inform the mix of uses and layout of space that could both help meet the demand to create a vibrant, active creative hub but also work financially. Factors explored were costs to bring the building back in to use, length of time it would take to establish and bring a return on investment, the space allocation to the different mix of uses, timescales to deliver the hub and what options were to deliver and operate the space.
- 12.4 The study indicated that there was sufficient demand to support creation of a creative hub at Kings Walk and suggested what this might look like if delivered.
- 12.5 Creation of a hub in the existing buildings presents challenges from the financial aspect as considerable amounts of money are needed to bring the vacant space up to an acceptable standard. There are currently no utilities or services to the upper floors of Kings Walk and remedial work is needed to bring the space up to meet current building regulations.
- 12.6 The council is exploring how this can be achieved in line with the preferred delivery approach for the wider CWR development to ensure a cohesive approach. A clear business plan which includes significant up-front investment of between £3.5 million and £4.2 million pounds and payback over time will be required.
- 12.7 The feasibility study can be seen at appendix D.

13 **Friarsgate Medical Centre Update**

- 13.1 Work has been done to explore what options there are to improve the Friarsgate Medical Centre site at the eastern end of the CWR area. The building has been vacant for many years and has fallen in to disrepair. The

condition has further deteriorated, despite steps taken to secure the building, following frequent break-ins and vandalism routinely carried out on the site.

- 13.2 The council currently has an obligation to maintain the building form until plans are submitted to the Local Planning Authority to bring forward development on the site as it sits within the conservation area. The consequence of this is that there is an ongoing financial liability with regard to business rates, security and maintenance.
- 13.3 The council had considered the option of LOWE Property Guardians entering in to short term agreement to provide accommodation to complement the scheme being undertaken at Coitbury House but the physical state of the building and the cost of bringing it up to a satisfactory condition proved to be prohibitive.
- 13.4 Work is therefore being done to understand the implications of demolition of the existing building and provision of a temporary use for the space so that short term improvements can be made while the longer term delivery of the CWR site is progressed.

14 **Coitbury House Update**

- 14.1 The council has identified an opportunity to bring Coitbury House back into temporary use using a property guardian scheme in partnership with LOWE Property Guardians. This scheme was approved at the Decision Day - Cabinet Member for Housing and Asset Management on 12th October, report DD17.
- 14.2 The property guardian scheme will see the building brought into use to provide low cost residential accommodation for local key workers and young people who will act as guardians of the building.
- 14.3 The agreement with LOWE Property Guardians is for a minimum of two years, negating the ongoing costs of vacant property management and enhancing activity in and around the area in alignment with the Vision and Objectives of the SPD. LOWE Property Guardians take occupation of the building in November 2020 and aim to welcome the first guardians in January 2021.

The LOWE Property Guardian website can be seen here
www.lowe-guardians.com

15 **Archaeology Update**

- 15.1 The council appointed ARCA Geoarchaeology, a specialist team at the University of Winchester in April 2020 to undertake borehole investigations across the CWR site.

- 15.2 The investigations began in August 2020 and involved extracting and examining sediment samples. Dipwells have also been installed to monitor water levels over the next 12 – 18 months initially. Data will be collected and analysed to inform development plans and methods for the CWR area.

16 OTHER OPTIONS CONSIDERED AND REJECTED

CWR development scenarios

- 16.1 Following guidance in the SPD, three different development scenarios were developed, testing the ranges of uses and various levels of building retention across the site.
- 16.2 The purpose of the three scenarios was to illustrate what different approaches would look and feel like and also to test the viability of the different uses and quantum of mixes.
- 16.3 The scenarios were shared at an open forum in February 2020 and the public and stakeholders were asked to comment on what elements from each scenario were liked and what elements weren't. The feedback was collated and used to inform the draft development proposals.
- 16.4 The three scenarios tested and shared were;
- 16.5 Option 1 – Business not as usual.
- a) A commercially led scheme with a smaller mixed offer which included residential and retail.
 - b) The focus would be on creative and Small and Medium Enterprises (SME) workspace offering a start-up hub encouraging new businesses and artists.
 - c) The scheme would target the younger demographic and appeal to creative industries
 - d) The scheme would creatively adapt existing buildings into work or living space to reduce the embodied carbon created by new construction.
 - e) TABLE 2: Percentage of uses

Retail	2,621 m ²	8%
Residential	7,161 m ²	21%
Leisure/culture/food and beverage	6,973 m ²	21%

Office	16,517 m ²	50%
Total	33,272 m ²	100%

16.6 Option 2 – Homes for All

- a) A residentially led scheme with a focus on providing a mix of residential types and tenures
- b) The scheme would be targeted at younger adults and families supported by private and public spaces with leisure uses
- c) Some workspace would be included to promote onsite living and working options.
- d) TABLE 3: Percentage of uses

Retail	0 m ²	0%
Residential	24,758 m ²	62%
Leisure/culture/food and beverage	9,746 m ²	24%
Office	5,547 m ²	14%
Total	40,051 m ²	100%

16.7 Option 3 – Destination Max

- a) A culturally led scheme combining museum, cultural centre, cinema and event space
- b) The scheme would provide a different offer from existing cultural space and provide contemporary space
- c) A covered market would provide a wide offer with gift, craft, food and boutique retail
- d) TABLE 4: Percentage of uses

Retail (inc covered market)	2,208 m ²	6%
Residential	12,839 m ²	26%

Leisure/culture/food and beverage	13,233 m ²	38%
Office	7,005 m ²	20%
Total	35,284 m ²	100%

16.8 All three scenarios were tested for viability and shared in public at the Central Winchester Regeneration Open Forum in February 2020 and the feedback was shared at the Cabinet Member for Housing and Asset Management Decision Day in March 2020, report DD6

16.9 The development proposals take in to account feedback received.

CWR Delivery Strategy

16.10 Two other delivery options have been considered with regard to the Central Winchester Regeneration site and at this stage have been rejected in favour of the emerging proposal to work with a Development Partner

16.11 Firstly, WCC enters in to a Corporate Development partnership across a portfolio of sites;

- a) Finding and establishing legal agreement with a development partner across the councils development portfolio would be complex and lengthy
- b) An arrangement with one partner across the portfolio excludes the council from choosing the best delivery partner for the different sites
- c) Timing of delivery of the portfolio of sites would need to be agreed between the parties and CWR might not be considered a priority for the chosen partner.

This option has been rejected.

16.12 Secondly, WCC acting as master developer with several development partners for the different phases of the scheme.

- a) The complexity of delivering the site involves intensive expertise and resource
- b) The level of risk involved is something the council needs to consider. Sharing the risks with a partner would be more favourable.
- c) Funding for the development is better secured via a development partner

This option is not the emerging delivery route but might be reconsidered as the CWR project progresses and more information becomes available. Feedback received throughout the consultation period will be considered.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

DD17 Cabinet Member for Housing and Asset Management Decision Day CWR Project Update – 12 October 2020

Other Background Documents:-

[Central Winchester Regeneration Supplementary Planning Document](#)

APPENDICES:

Appendix A - Risk Register

Appendix B - Draft CWR Development Proposals

Appendix C - Consultation Timeline

Appendix D: Kings Walk Feasibility Study