

REPORT TITLE: STATION APPROACH UPDATE

4 OCTOBER 2018

REPORT OF PORTFOLIO HOLDER: ESTATES – CLLR STEVE MILLER

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WARD(S): ST PAULS / ST BARTHOLOMEW

PURPOSE

This report provides an update on the ongoing work for the Station Approach project. Work continues on design development for both the Carfax site, centred on Grade A office provision with supporting retail uses, and public realm improvement works to support the office development and to enhance this key Gateway into the City.

Updates are provided on access, market analysis and delivery, economic and financial assessment, and next steps to keep Councillors and the public informed about progress on the project before key decisions on how to progress the Station Approach initiative are needed.

RECOMMENDATIONS:

1. That Cabinet (Station Approach) Committee note and endorse the latest progress on the project and agree the next steps as set out in this report for both the proposed Carfax development scheme and adjoining public realm proposals.
2. That Cabinet (Station Approach) Committee agree that following discussion with the RIBA Independent Design Advisor, to start work required for the preparation of a planning application for submission in March 2019.
3. That Cabinet (Station Approach) Committee approve capital expenditure of £400,000 of the £1.8m approved in the Capital Strategy in February 2018 (CAB3014) to take the project through to the submission of a planning application, in 2018/19.

IMPLICATIONS:1 COUNCIL STRATEGY OUTCOME

- 1.1 The Station Approach regeneration scheme will provide a significant number of high value, private sector employment opportunities which will help to deliver the Council Strategy (2018-20) vision for Winchester to be a premier business location.
- 1.2 The delivery of the project will be through partnership working to deliver employment and other regeneration opportunities in line with the approach set out in the Council Strategy.

2 FINANCIAL IMPLICATIONS

- 2.1 A revenue budget of £1.5 million was set by Full Council on 02 November 2016 (CAB2852) to commission the masterplan and a public realm strategy for the Station Approach area encompassing the Carfax and Cattlemarket sites, and the design work and other professional services for the Carfax site.
- 2.2 Following completion of the public realm strategy, the Council's Cabinet (Station Approach) Committee approved a revenue budget of £225,000 to take forward the design work for the public realm to support the Carfax design development. A business case will be submitted to the LEP in October 2018 for decision in March 2019. If accepted by the LEP, this will secure a £5 million LEP grant for public realm works to support the Carfax development.
- 2.3 There is enough existing revenue budget available to complete the design work for RIBA Stage 2 and outline business case. A capital budget of £1.8m was agreed in February 2018 to take the project through planning and detailed design (2018/19 - £1.2m and 2019/20 - £0.6m). In order to cover the planning preparation, submission and determination, approval is sought to incur expenditure of £400,000. Following this stage further approval will be sought for RIBA stage 3 when the Outline Business Plan is considered by Cabinet (Station Approach) Committee in December.

	2018/19 £000	2019/20 £000	Total £000
Approved capital budget	1,200	600	1,800
Expenditure to be approved For Planning Stage	400	0	400

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 None. The project stages covered in this report do not raise any procurement issues and there are currently no legal implications for the Cabinet (Station Approach) Committee to consider.

4 WORKFORCE IMPLICATIONS

- 4.1 None

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 The Council remains actively in discussion with a number of organisations interested in taking a lease for office accommodation, and continues to receive enquiries about the availability of office space in the city which currently cannot be fulfilled. As the design development progresses the Design Team will meet prospective tenants to ensure that the accommodation is designed flexibly and is able to meet a range of potential requirements. Such discussions are commercially-in-confidence, and an update will be given to this Cabinet Committee in December.
- 5.2 As the project progresses there will be implications on existing parking availability, which will need to be managed carefully as part of the car parking strategy.

6 CONSULTATION AND COMMUNICATION

- 6.1 Ongoing discussions are being held with stakeholders, including the County Council as Highway Authority to seek agreement on access arrangements, following issues raised in May this year regarding safety aspects of closing the underpass and using access from Sussex Street. An update of these discussions is provided in section 11 of this report.
- 6.2 The Station Approach initiative has been supported from the time of lead-in to appointment of the current design team by an Advisory Panel comprising Ward Counsellor, Hampshire County Council, City of Winchester Trust, Winchester Business Improvement District and RIBA independent advisor representation. As part of a continuing dialogue with key stakeholders, this Panel met on 25 September 2018 to receive an update on proposals.
- 6.3 A next stage of public consultation is proposed for January 2019 after consideration of design development by this Cabinet Committee in December 2018.

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.

- 7.2 A key part of the design progression is addressing parking in the wider context of the key objectives of the Movement Strategy and key issues such as air quality. The current scheme is based on one level of basement parking (whereas the original masterplan approach considered 2 levels of parking). This could provide up to 150 spaces; currently across the whole of the Carfax site development site area there are 198 spaces (108 public and 90 leased to HCC/Police).

8 EQUALITY IMPACT ASSESSMENT

- 8.1 None required at this time. The public realm design work will need to consider accessibility and as designs progress, relevant stakeholders/advisors will be consulted.

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 None required

10 RISK MANAGEMENT

- 10.1 This project has a separate, full risk register which is managed by the Head of Programme.
- 10.2 In relation to this report, the key risks are listed below and detailed in the risk register in Appendix 4.

- 1 Change in commercial market
- 2 Planning application decision delay
- 3 Planning application decision refusal
- 4 Designs and Gateway approvals
- 5 Demonstrating LEP Business Case for funding bid
- 6 Public realm design work delays and agreements
- 7 Design and public expectations.
- 8 Stakeholder approvals
- 9 Changes in markets, costs, and taxation treatment on financial return
- 10 Highway Authority agreement
- 11 Expectations of spending on public realm
- 12 Project delivery
- 13 Programme risks in relation to governance, finance, resourcing and contingency
- 14 Delivery decisions

11 SUPPORTING INFORMATION:

Update on Station Approach

- 11.1 A report to Cabinet (Station Approach) Committee on 12 July 2018 gave an update on the two main project strands of the Station Approach initiative – the Carfax site development proposal and the Station Hill/Station Road Public

Realm proposals. Since then, a number of elements have moved ahead, and a further update of both projects is given below.

Carfax Development Scheme

The following technical work has progressed, and continues to progress:

General

- 11.2 The scheme for Carfax site is at RIBA Stage 2. The design is being progressed to enable revisions to access arrangements following further discussions with HCC. These and other elements are now enabling further design work to be progressed, with the next Cabinet Gateway (for progression from RIBA Stage 2 (Concept Design and Outline Business Case) to move to RIBA Stage 3 (Design Development) anticipated in December 2018. After this time, there will be a further round of public consultation on the developing scheme. A recommendation is made to approve capital expenditure which enables the preparation and submission of a planning application before the conclusion of Stage 3, but after consideration of the outline business case. This is considered appropriate best practice in large projects, as advised by the independent RIBA Advisor to the Council for the Station Approach Project. It is proposed that after public consultation held in January 2019 there be an exhibition of proposals at the time of submission of any future planning application, ahead of the statutory planning application consultation period.
- 11.3 How the project is delivered and any planning permission implemented will be a decision based on the full business case which will be developed in parallel with the detailed and technical design work.

Access

- 11.4 More detailed discussions with HCC raised technical issues regarding access from Sussex Street as the route into the site. Discussions continue with HCC, and a solution appears to be within reach, based around use of the existing entry and exits into existing car park areas (both the public and HCC parking) on Gladstone Street. It should be noted at this stage, and subject to parking arrangements, that the level of vehicle movements from the proposed scheme arrangements may be less than under the current arrangement. The proposed single deck car park and reduction in parking as currently proposed are consistent with the principles of the emerging Movement Strategy. The level of parking in the scheme will be considered as part of the overall design and business case, still under preparation, and reported to Cabinet at the next opportunity. This continuing dialogue with

HCC as Highway Authority also enables the evolving scheme to take account of emerging principles from, and objectives of, the city of Winchester Movement Strategy.

Market Analysis and Delivery

- 11.5 It remains clear that there is significant market interest in high quality Grade A offices in Winchester – an offer which is currently substantially lacking in the City. The Carfax site, adjacent to the station, remains the prime location for such provision, giving full opportunity, as the brief for Station Approach sets out, to create a new Gateway ‘hub’ in this location, and help achieve substantial wider economic regeneration both in the vicinity of this northern part of the city centre, and for the city and its hinterland as a whole. Reports to future Cabinet (Station Approach) Committees (scheduled for December 2018 and March 2019) will set out further details in relation to market interest, delivery options and the Outline Business Case for the scheme, including wider economic and financial benefits to arise from development.

Economic and Financial Assessment

- 11.6 As the exercise of design development, including revised access arrangements, progresses this enables further parallel work on the economic and financial assessments to be made to feed into the Outline Business Case. The original Business Justification Case and supporting Evidence of Need submitted to and agreed by Cabinet and Overview and Scrutiny Committee on 20 March 2017 (CAB 2864) justified proceeding with the Station Approach project, and still remain valid as a strategic business case. Indeed the Corporate Head of Asset Management confirms that there is increased market interest from 2016. Letters from the Hampshire Chamber of Commerce and Economic Development Department at HCC are attached. Ongoing discussions remain commercially-in-confidence, and an update will be given to this Cabinet Committee in December.
- 11.7 The existing Business Justification Case will be supplemented and updated with information from the current proposed scheme for future submission of the Outline Business Case. The office component of the current proposal meets the requirements of the existing brief and the masterplan principles, and is currently being assessed for its economic benefits as part of the preparation of the Outline Business Case. This scheme could provide in the order of 1,100 jobs.

Next Steps

- 11.8 Within the update outlined above, key next steps include:
- Finalisation of RIBA Stage 2 (Concept Design) for the Carfax site
 - Report to Cabinet (Station Approach) Committee in December 2018 to: sign off RIBA Stage 2 (concept design), consider the outline business case, to agree Gateway approval to RIBA Stage 3 (developed design), and consider options for delivery.
 - Public consultation following December 2018 Cabinet (Station Approach) Committee
 - Report to Cabinet (Station Approach) Committee in March 2019 to review RIBA Stage 3 design work, prior to planning application submission.

Station Approach Public Realm

- 11.9 Further to the Recommendations from the Report to Cabinet (Station Approach) Committee on 12 July 2018, the appointment of the Design Team has now been made, comprising both Lifschutz Davidson Sandilands (LDS) (designers of the adjacent Carfax scheme) and HCC Engineering Consultancy. As noted at that previous Cabinet meeting, this team brings a combination of consistent design integrity and specific requirements for future specification and ultimate adoption, and assisting with both interface management and approvals.
- 11.10 The joint design team are establishing and refining the Brief from background principles from the original Station Approach Brief. These are:
- Provide a comprehensive framework for the public realm which will enable the Council to ensure that individual development proposals are properly integrated into a programme of improvements in movement, access and the provision of active public spaces (of all types)
 - Set out a vision for the quality of public realm which in itself is a spur to investment and the redevelopment of individual sites
 - Identify specific improvements to the existing network of highways and informal routes that could be improved (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
 - Include proposals for distinctive and eye-catching public space or shared space in areas of existing public control or within the specific development proposals for development sites

- Retain existing mature trees where possible and incorporate new planting and soft landscape features into the proposals so as to reflect the importance of 'green features' on the edges of the city centre
- 11.11 Consider the inclusion of other elements which the Council has not specified but which could be desirable additions to the public realm, such as integrated public art, cultural or community facilities or ad hoc commercial opportunities which can add character and interest here will be a series of stakeholder engagement meetings and thence public consultation over the later part of this year, and Q1 2019, linked, wherever possible to consultation on the Carfax scheme.
- 11.12 Key to the success of improving Station Hill and Station Road as a Gateway to Winchester are discussions with Network Rail/SW Railway as landowner and key stakeholder, and such discussions are underway and continuing. Additionally, the Business Case for a £5m grant from the EM3 LEP will be submitted to the LEP in October, for which delegated approval was given to the Head of Programme, in conjunction with the Portfolio Holder for Estates at 12 July Cabinet (Station Approach) Committee.
- 11.13 Proposals to be worked up for Station Hill/Station Road public realm will be consistent with the overall context provided by the Public Realm Strategy produced as an early part of the LDS/Publica work, as reported to Cabinet (Station Approach) Committee in February 2018 (CAB 3021SA). Public Realm improvements to Station Hill/Station Road are identified as a key priority to meet the enhanced Gateway objective of the original Station Approach Brief, and, subject to confirmation of grant award from the LEP, are proposed in line with meeting the key LEP requirement of supporting the economic regeneration of the Carfax site, and provision of jobs.
- 11.14 Proposals for other public realm improvements that arise from initial ideas put forward in the overarching Public Realm Strategy in the wider area beyond the immediate Station/Carfax area will be explored as further opportunities for funding arise.

Summary

- 11.15 Overall, the current position is positive for bringing forward optimal schemes for both Carfax and the public realm to deliver on the objectives of the original Brief, and to achieve enhancement and economic regeneration at Station Approach as a key Gateway, and bringing further substantial improvement to Winchester. Cabinet (Station Approach) Committee are requested to note and endorse these updates.
- 12 OTHER OPTIONS CONSIDERED AND REJECTED
- 12.1 None relevant for this report.

BACKGROUND DOCUMENTS:-Previous Committee Reports:-

CAB3055(SA)	Station Approach – Update Report	12 July 2018
CAB3021(SA)	Station Approach - Public Realm Strategy and Masterplan Framework	27 February 2018
CAB3001(SA)	Station Approach – Update	28 November 2017
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:-NoneAPPENDICES

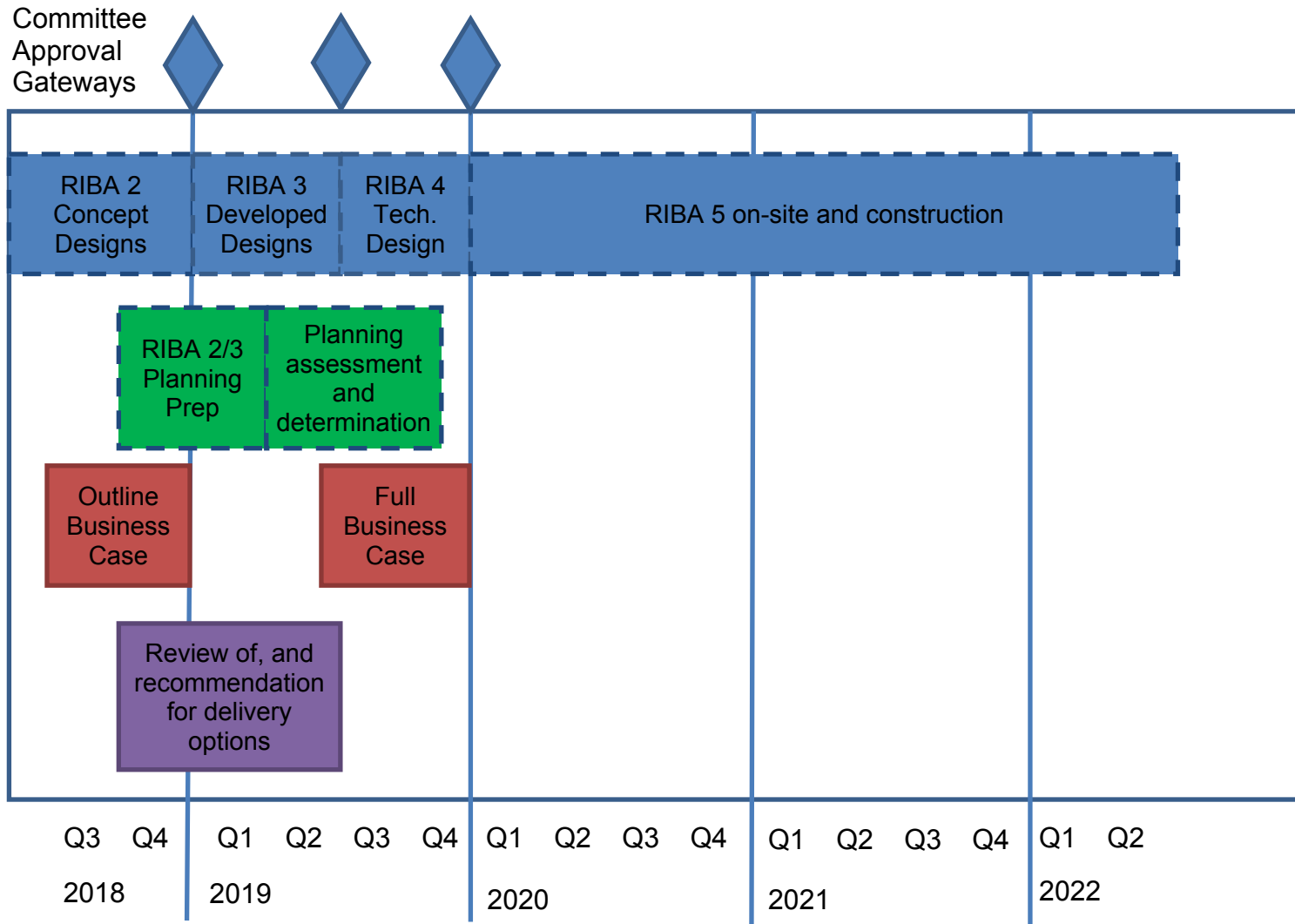
Appendix 1: Key Milestone Programme

Appendix 2: Letter of Support from Hampshire Chamber of Commerce

Appendix 3: Letter of support from Hampshire County Council

Appendix 4: Key Risks for Report

Appendix 1: Key Milestone Programme



Appendix 2: Letter of support from Hampshire Chamber of Commerce



Monday 24th September 2018

Ian Charie
 Head of Programme
 Winchester City Council
 Colebrook Street
 Winchester
 SO23 9LJ

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 Ground Floor
 Wallington Hill
 Fareham
 Hants
 PO16 7BJ
 Tel: 01329 242420
www.hampshirechamber.co.uk

Dear Ian,

Hampshire Chamber of Commerce would like to highlight the continuing need for Grade A office space in Winchester, as well as the continued lack of supply. Whilst commercially sensitive and therefore difficult to share, we can say that several of our Members have expressed specific interest in better office space in the City, especially close to Public Transport services. One of these businesses has subsequently had to move out of the City and another is currently considering ways of increasing their current office space by buying surrounding buildings, although this is not particularly cost effective.

We see this continuing into 2019, especially for the Service sector, despite uncertainties with regards to Brexit. Winchester is so devoid of Grade A space and provides a 'cachet' location, one hour from London, so it will still remain a desirable location for the office market. The benefits of a high quality office scheme, including surrounding high quality public realm, can already be seen in places such as Woking. The need for enhancement of the Station Gateway is also clear, with examples at Reading and Bristol demonstrating the wider economic benefits that such a scheme will bring to the city.

Yours sincerely,

M. G. Baulch

Mark Baulch
Head of Policy & Representation
Hampshire Chamber of Commerce

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Appendix 3: Letter of support from Hampshire County Council



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Elizabeth II Court West, The Castle
Winchester, Hampshire SO23 8UD*

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Ian Charie
Head of Programme
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<i>Enquiries to</i>	David Fletcher	<i>My reference</i>	
<i>Direct Line</i>	01962 846125	<i>Your reference</i>	
<i>Date</i>	24 September 2018	<i>Email</i>	david.fletcher@hants.gov.uk

Dear Ian

STATION APPROACH, WINCHESTER

Please accept this letter as our expression of support, from an economic development perspective, for the proposed Station Approach development in Winchester.

The future of the economy in Hampshire (and in Winchester) is as an adaptable, knowledge intensive economy. We have seen gradual decline in production (including manufacturing) sectors in Hampshire, and healthy growth in key service sectors including ICT and professional and business services.

Cities (and particularly city centres) need to fulfil their roles as key economic drivers, as hubs of commercial and innovation activity, and as vibrant, magnetic places which retain and attract both talent and knowledge intensive businesses.

Winchester already offers a strong cultural and lifestyle offer, but its economic potential is currently constrained by a lack of grade A office space, especially close to key transport hubs. This lack of supply was highlighted in the analysis of the commercial property market commissioned by Enterprise M3 LEP in 2016.

Station Approach offers an exciting opportunity to significantly refresh the city's credentials as a business location and as a commercial centre. This development will enable the city to both retain some existing critical office based occupiers looking to rationalise and modernise their work space, and to attract new corporate occupiers into Winchester, with a specific competitive advantage being very easy access to the rail network and to London.

Station Approach is therefore, in both a Winchester and wider Hampshire economic context, a critical future project, and we look forward to supporting you in its delivery.

Many thanks

Yours sincerely

A handwritten signature in black ink, appearing to read 'D Fletcher', with a long horizontal flourish extending to the right.

David Fletcher
Assistant Director for Economic Development

Appendix 4: Key Risks for Report

Risk Register – Key:

Likelihood Rating

It is unlikely that in many cases the probability of a risk occurring can be calculated in a statistically robust fashion as we do not have the data to do so. However, as an indicator, the likelihood is defined by the following probability of a risk occurring:

Likelihood	Probability
Highly Unlikely	1% to 25% chance in 5 years
Unlikely	26% to 50% chance in 5 years
Likely	51% to 75% chance in 5 years
Highly Likely	76% to 100% chance in 5 years

Risk Proximity

The score for risk proximity supports the Council in focusing on certain risks that may occur soon and ignore risks that will not occur in the near future. This enables risk management to be more efficient.

A number of between 1 and 4, where 1 means the risk is about to occur within the next 3 months and 4 means the risk is not likely to occur within the next year is provided.

Risk Proximity Score	Time scale
1	Occurring within the next 3 months
2	Occurring within the next 6 months
3	Occurring within the next 1 year
4	Unlikely to occur within 1 year

Financial Impact

The financial impact to the Council is an important consideration, however this should be viewed alongside the likelihood of the risk occurring and not assumed to be inevitable.

The scoring of the financial impact relates to the cost to the Council if that risk were to occur, however it should not relate to the cost of managing or mitigating the risk.

The financial impact is scored as highly likely it would be prudent for the Council to ensure that it has set aside an adequate financial provision. The financial impact is scored as follows:

Financial Impact Score	Time scale
£	£1 – £20,000
££	£20,0001 - £200,000
£££	£200,001 - £2,000,000
££££	£2,000,001 plus

Impact Rating

The following table provides the definitions which should be used when determining whether a risk would have a Low, Moderate, Major or Significant impact

	Low (1)	Moderate (2)	Major (3)	Significant (4)
Financial	Less than £20K	£20k or over and less than £200K	£200K or over and less than £2m	£2m plus
Service Provision	No effect	Slightly Reduced	Service Suspended Short Term / reduced	Service Suspended Long Term Statutory duties not delivered
Health & Safety	Sticking Plaster / first aider	Broken bones/illness Lost time, accident or occupational ill health	Loss of Life/Major illness – Major injury incl broken limbs/hospital admittance. Major ill health	Major loss of life/Large scale major illness
Morale		Some hostile relationship and minor non cooperation	Industrial action	Mass staff leaving/Unable to attract staff
Reputation	No media attention / minor letters	Adverse Local media Leader	Adverse National publicity	Remembered for years
Govt relations	One off single complaint	Poor Assessment(s)	Service taken over temporarily	Service taken over permanently

Station Approach Key Risks for Report CAB3083(SA)

Risk Number: 1		Risk Owner: Project Executive				
Risk Title: Change in commercial market						
Causes	Consequences	Current Controls	Current Risk Score		Risk Proximity	Financial impact
			Likelihood	Impact		
Change in commercial market (concern ahead to 2019)	Delay in project programme. Changes to the programme and scope of the project incur additional fees under the contract. Impact on the interested businesses. Impact on the local economy. Impact on the Medium Term Financial Strategy.	Mitigate 1. Maintain political support to move project forward and prevent delays. 2. Continued economic and political monitoring.	Likely	Major	4	£££ - ££££
Further actions			Target date	Residual Risk Score		
Market the site and pursue other tenants Market testing should also be undertaken to ensure continuing demand.			Q4 2018	Likelihood	Impact	
				Unlikely	Moderate	

Risk Number: 2		Risk Owner: Project Executive				
Risk Title: Planning application decision delay						
Causes	Consequences	Current Controls	Current Risk Score		Risk Proximity	Financial impact
			Likelihood	Impact		
Planning Permission is significantly delayed	Delay in project programme. Changes to the programme and scope of the project incur additional fees under the contract. Impact on the interested businesses. Impact on the local economy. Impact on the Medium Term Financial Strategy.	Mitigate 1. Engage with the nominated Case Officer early in the project process. 2. Ensure that the design principles are in accordance with the themes of Local Plan Part 2. 3. Seek pre application advice prior to submission of the Planning Application	Likely	Significant	4	£££
Further actions			Target date	Residual Risk Score		
Continue engagement with officers in other teams to identify areas of concern and/or opportunities to enhance a planning application.			Q2 2019	Likelihood	Impact	
				Unlikely	Major	

Risk Number: 3		Risk Owner: Project Executive				
Risk Title: Planning application decision refusal						
Causes	Consequences	Current Controls	Current Risk Score		Risk Proximity	Financial impact
			Likelihood	Impact		
Planning Permission is refused	Delay in project programme. Changes to the programme and scope of the project incur additional fees under the contract. Impact on the interested businesses. Impact on the local economy. Impact on the Medium Term Financial Strategy.	Mitigate 1. Engage with the nominated Case Officer early in the project process. 2. Ensure that the design principles are in accordance with the themes of Local Plan Part 2. 3. Seek pre application advice prior to submission of the Planning Application	Highly unlikely	Significant	4	£££
Further actions			Target date	Residual Risk Score		
Continue engagement with officers in other teams to identify areas of concern and/or opportunities to enhance a planning application.			Q2 2019	Likelihood		Impact
				Highly unlikely		Major

Risk Number: 4		Risk Owner: Project Executive				
Risk Title: Designs and Gateway approvals						
Causes	Consequences	Current Controls	Current Risk Score		Risk Proximity	Financial impact
			Likelihood	Impact		
Designs are rejected and gateways not approved	Delay in project programme. Changes to the programme and scope of the project incur additional fees under the contract. Design Team's fees become unrecoverable. Impact on the interested businesses. Impact on the Medium Term Financial Strategy.	Mitigate 1. Work with Design Team during formulation of designs to ensure these reflect the themes and principles of the brief so Cabinet Members can be comfortable to proceed with recommended design. 2. Establish bi-monthly briefings for Cabinet (SA) Committee members and keep other members informed through informal Cabinet. Involve ward member representative in Advisory Panel.	Likely	Significant	1	££
Further actions			Target date	Residual Risk Score		
				Likelihood		Impact

Agree programme at start of each stage and sign-off amendments with Project Board and Committee members.	Q1 2019	Unlikely	Major
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Risk Number: 5		Risk Owner: Project Executive				
Risk Title: Demonstrating LEP Business Case for funding bid						
Causes	Consequences	Current Controls	Current Risk Score		Risk Proximity	Financial impact
			Likelihood	Impact		
LEP Business Case is not fully accepted	Bid for Local Enterprise Partnership (LEP) funding is unsuccessful. Loss of potential £5M bid. Loss of opportunity to regenerate areas of public realm. Carfax scheme not enhanced by public realm works nor supported by LEP funding.	Mitigate - 1. Complete LEP Business Case, supported by the project outline business case and ensure it is reviewed by the relevant officers before submission.	Unlikely	Major	2	££££
Further actions			Target date	Residual Risk Score		
Ensure good engagement with EM3 LEP			Q3 2018	Highly unlikely	Moderate	

Risk Number: 6		Risk Owner: Project Executive				
Risk Title: Public realm design work delays and agreements						
Causes	Consequences	Current Controls	Current Risk Score		Risk Proximity	Financial impact
			Likelihood	Impact		
Public realm design work delayed or agreement for works cannot be reached in a timely manner on land controlled by 3rd parties, results in not being able to meet required LEP spending programme.	Bid for Local Enterprise Partnership (LEP) funding is unsuccessful or cannot be spent by the deadline. Loss of potential £5m bid. Loss of opportunity to regenerate areas of public realm. Carfax scheme not enhanced by public realm works.	Mitigate - 1. Close liaison with M3 Enterprise LEP, and partner organisations who own 3rd part land throughout the project to agree priorities for spend and mechanisms and programme for delivery.	Likely	Major	3	££££
Further actions			Target date	Residual Risk Score		
Continue close engagement with landowners for public realm works and identify any requirements for sign-off using their processes.			Q3 2018	Unlikely	Major	

Risk Number: 7		Risk Owner: Project Executive				
Risk Title: Design and public expectations						
Causes	Consequences	Current Controls	Current Risk Score		Risk Proximity	Financial impact
			Likelihood	Impact		
Design does not meet public expectation due to limitations of viability or delivery.	Local residents and members of the public feel disengaged in the project or object to aspects of the scheme, leading to dissatisfaction with the development and potential campaigns against the development which may delay matters and cause additional costs to be incurred	Mitigate - 1. Put Engagement and Communication Strategy in place, setting out how to engage interested parties in the design process; implement Communications Plan.2. Work closely with the Communications team at WCC to ensure awareness of the most recent updates, any concerns for issues that arise which may cause people to raise concerns and engage with stakeholders regularly to ensure they are kept well informed about the project.	Likely	Moderate	2	£-££
Further actions			Target date	Residual Risk Score		
Use Advisory Panel through design stages to provide further updates on progress of project and use feedback.			Q4 2018	Unlikely		Low

Risk Number: 8		Risk Owner: Project Executive				
Risk Title: Stakeholder approvals						
Causes	Consequences	Current Controls	Current Risk Score		Risk Proximity	Financial impact
			Likelihood	Impact		
Stakeholder approvals for scheme may not be forthcoming as sought by programme.	Public realm improvements cannot be delivered as per programme. Carfax scheme not enhanced by public realm works nor supported by LEP funding.	Mitigate - 1. Continue work with Hampshire County Council to explore potential schemes that could be delivered in conjunction with both authorities to improve the public realm in this area. 2. Involve other agencies, landowners including Network Rail/SW Railway, the BID.	Unlikely	Moderate	3	££££

Further actions	Target date	Residual Risk Score	
		Likelihood	Impact
Further liaison with LEP regarding how funding can be used to support the Carfax development.	Q4 2018	Highly unlikely	Moderate

Risk Number: 9		Risk Owner: Project Executive				
Risk Title: Changes in markets, costs, and taxation treatment on financial return						
Causes	Consequences	Current Controls	Current Risk Score		Risk Proximity	Financial impact
			Likelihood	Impact		
Changes in markets, cost of construction and/or borrowing or other financial/taxation elements mean that the scheme does not achieve a financial return.	Full project business case does not achieve commercial and / or financial viability	Mitigate 1. Ensure there is a proper discussion to establish the most appropriate business mix to deliver the expected outcomes and that this is backed up with a solid evidence base. 2. Liaise with the Finance Team to ensure the financial models and assumptions reflect the expected outcomes and they include the latest information that is available. 3. Continue to review costs and values before deciding to proceed. 4. Carry out continual economic and political monitoring. 5. Ensure an element of contingency is built into the construction budget.	Unlikely	Significant	3	££££
Further actions		Target date	Residual Risk Score			
Establish processes to promote financial due diligence, whereby any officer or councillor involved in the project receives regular updates on the input assumptions for the financial modelling and is encouraged to robustly challenge these and any subsequent outputs from the financial model as the project progresses. Instruct a full financial and cost report prior to submitting any planning application.			Q4 2018	Likelihood	Impact	
		Unlikely		Moderate		

Risk Number: 10			Risk Owner: Project Executive			
Risk Title: Highway Authority agreement						
Causes	Consequences	Current Controls	Current Risk Score		Risk Proximity	Financial impact
			Likelihood	Impact		
Design not acceptable to Highways Authority, or approvals not forthcoming on account of Movement Strategy timetable, or other reasons.	Delay in project programme. Changes to the programme and scope of the project incur additional fees under the contract. Impact on the interested businesses. Impact on the local economyImpact on the Medium Term Financial Strategy.	Mitigate 1. Continually engage with HCC as the designs are developed. 2. An Engagement and Communication Strategy sets out proposals to engage interested parties in the design process. HCC will be a key stakeholder for this.	Unlikely	Significant	1	££
Further actions			Target date	Residual Risk Score		
None at this time			n/a	Likelihood	Impact	
				Highly Unlikely	Major	

Risk Number: 11			Risk Owner: Project Executive			
Risk Title: Expectations of spending on public realm						
Causes	Consequences	Current Controls	Current Risk Score		Risk Proximity	Financial impact
			Likelihood	Impact		
Expectations of spending on public realm exceed practical requirements for LEP bid, and amount of funding available.	Public concern is raised regarding the public realm proposals.	Mitigate Retain Public Realm spending to within confines of red line and agree this with LEP Maintain communications with LEP and demonstrate in business case how works in advance will support the development of the public realm in line with the LEP requirements.	Unlikely	Major	3	££-£££
Further actions			Target date	Residual Risk Score		
Encourage alternative delivery mechanisms for projects in the public realm strategy that are out of scope for the LEP bid spending.			Q3 2018	Likelihood	Impact	
				Unlikely	Major	

Risk Number: 12			Risk Owner: Project Executive			
Risk Title: Project delivery						
Causes	Consequences	Current Controls	Current Risk Score		Risk Proximity	Financial impact
			Likelihood	Impact		
Project does not result in development	Council then become liable for repayment of borrowed capitalised costs in full.	Accept - Project does not result in development and so capitalised design costs must be charged as a one-off expense to revenue. If these costs have been financed by borrowing the Council must repay the borrowing and finance the costs from revenue reserves.	Unlikely	Significant	3	££££
Further actions			Target date	Residual Risk Score		
None identified at this stage			n/a	unlikely	Major	

Risk Number: 13			Risk Owner: Project Executive			
Risk Title: Programme risks in relation to governance, finance, resourcing and contingency						
Causes	Consequences	Current Controls	Current Risk Score		Risk Proximity	Financial impact
			Likelihood	Impact		
Pressure on delivery timescale to ensure securing tenants for site and retain public support.	Pressure put on project programme removes contingency from design, business case and delivery stages. Programme may require elements of overlapping RIBA stages. Work is commissioned at an agreed level of financial risk.	Mitigate Use risk register to monitor and manage risks to avoid them becoming issues. Manage all parties' expectations for delivery timescales. Identify issues with relevant parties when they occur, and flag impacts on programme. Seek advice on any governance process changes.	Likely	Major	2	££
Further actions			Target date	Residual Risk Score		
None identified at this stage			n/a	Likely	Moderate	

Risk Number: 14			Risk Owner: Project Executive			
Risk Title: Delivery decisions						
Causes	Consequences	Current Controls	Current Risk Score		Risk Proximity	Financial impact
			Likelihood	Impact		
Decision on delivery	Council takes development route which increases the risks to the Council and requires increased insurance limits and indemnities.	Mitigation - Advice from the Council's internal and external risk advisors has been obtained to set the current insurance limits. The Council has cover for public liability and employer's liability and can decide to increase this if after a risk re-assessment this is required.	Unlikely	Major	3	££
Further actions			Target date	Residual Risk Score		
Whilst unlikely, if a review of the risk assessment identified a need to increase insurance limits, the Council has the option of requesting contractors to increase insurance cover.			Q 4 2020	Likelihood	Impact	
				Unlikely	Low	