

## OFFICER DECISION REPORT

REPORT TITLE: COMPLETION OF THE CENTRAL WINCHESTER  
REGENERATION DEVELOPMENT AGREEMENT

7 FEBRUARY 2024

REPORT FOR: Dawn Adey, Strategic Director with responsibility for Central  
Winchester Regeneration

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WARDS: All Wards

NON KEY DECISION: Significant Operational

### PURPOSE

The Council carried out extensive work to bring forward the CWR project, from adoption of the CWR Supplementary Planning Document in June 2018 through to conclusion of the procurement process to find a development partner in December 2022. The procurement process followed is set out in paragraph 12 of the report to Cabinet on 6th March 2023 – CAB3371 (“the March 2023 report”). The March 2023 report detailed the outcome of the procurement and sought approval to appoint the preferred bidder.

At that meeting, Cabinet authorised the Strategic Director with responsibility for the Central Winchester Regeneration project, in consultation with the Leader and Cabinet Member for Asset Management and the Service Lead – Legal, to incorporate the recommended Development Partner’s tender submission into the Development Agreement (DA), finalise the content of the Development Agreement and any necessary ancillary documents, and arrange for the Development Agreement and any necessary ancillary documents to be entered into on behalf of the council in accordance with Part 2, Article 14, of the council’s constitution, report CAB3371.

In accordance with the authorisation given, the Development Agreement and ancillary documents have now been finalised and this report provides detail to

support the taking of the delegated decision referenced above pursuant to the authorisation provided by the Cabinet decision of 6 March 2023.

RECOMMENDATIONS:

1. That the Strategic Director with responsibility for Central Winchester Regeneration in consultation with the Leader and Cabinet Member for Asset Management and the Service Lead - Legal incorporates the recommended Development Partner's tender submission into the Development Agreement, finalises the content of the Development Agreement and the necessary ancillary documents and arranges for the Development Agreement and any necessary ancillary documents to be entered into on behalf of the Council in accordance with Part 2, Article 14, of the Council's constitution.

## IMPLICATIONS:

### 1 COUNCIL PLAN OUTCOME

- 1.1 Creating places for people and communities to live, work and thrive is of paramount importance to the council. By entering in to the CWR DA, the council, together with its new development partner, is able to move ahead to deliver the outcomes detailed in the March 2023 report, including provision of affordable new homes for younger people, sustainable green development in the heart of the city, engagement and collaboration with Members, stakeholders, the public and interest groups and working to secure a vibrant and resilient economy for the city and in turn, the wider Winchester district.

### 2 FINANCIAL IMPLICATIONS

- 2.1 Full financial implications of entering into the development agreement with the winning bidder were considered by Cabinet at the 6th March meeting.

- 2.2 Following approval to proceed and as acknowledged when the Cabinet decision was made, some financial elements of the agreement were subsequently agreed or amended, in line with the delegated authority. These are detailed in paragraph 2.3 of the exempt delegated report and in the exempt reports of Browne Jacobson solicitors and the joint report of Browne Jacobson and 31ten Consulting Ltd which are found at exempt appendices A and B respectively to this report. The Chief Finance Officer is satisfied that this delegated decision is in accordance with the authorisation contained in the March 2023 report.

- 2.3 2.3 See exempt report.

### 3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The Council has been advised by its external lawyers, Browne Jacobson in negotiating the DA including matters arising in the preferred bidder stage. Their full advice is included in exempt appendix A. The Service Lead-Legal is satisfied that this delegated decision is in accordance with the authorisation contained in the March 2023 report. Further legal comments are contained in paragraph 3.2 and 3.3 of the exempt report.

- 3.2 See - exempt report.

- 3.3 See-exempt report.

### 4 CONSULTATION

- 4.1 The relevant Director responsible for authorising this delegated decision has consulted with the Leader and Service Lead- Legal who are both in agreement to the taking of this decision.

## 5 PUBLIC SECTOR EQUALITY DUTY

- 5.1 Implications surrounding this decision were highlighted in CAB3371 and discussed at the Cabinet meeting in March 2023.
- 5.2 There are no additional implications to consider at this point.

## 6 OTHER KEY ISSUES

- 6.1 All key issues surrounding this decision were highlighted in CAB3371 and discussed at the Cabinet meeting in March 2023.
- 6.2 The subsequent amendments to the DA have been outlined in this report and the exempt report and appendices and there are no further issues to consider.

## 7 SUPPORTING INFORMATION

- 7.1 On 6<sup>th</sup> March 2023 after a comprehensive procurement process, Cabinet approved the appointment of the council's development partner for the Central Winchester Regeneration project. The winning bid was submitted by a consortium known as "Jigsaw" which is a newly formed Joint Venture between Genr8 Kajima Regeneration Ltd and PFP-igloo LP that has been established specifically to deliver the scheme.
- 7.2 The draft DA formed part of the report pack and was fully considered at that meeting. The terms and conditions were set out in detail but there were points that, until the appointment had been approved, could not be agreed and drafted. Full details can be found in report CAB3371.
- 7.3 Following this Cabinet decision, work commenced on finalising the Development Agreement. Jigsaw, with the agreement of the Council, started to undertake certain due diligence steps before seeking their final board approvals This is usual for an agreement of this nature.
- 7.4 To enable the discussion on those final points and amends to the drafting, authorisation was given to the Strategic Director with responsibility for the Central Winchester Regeneration project, in consultation with the Leader and Cabinet Member for Asset Management and the Service Lead -Legal to finalise the content of the DA and associated documents and arrange to enter into the final DA.

- 7.5 The key developments during preferred bidder stage are set out in the exempt advice report of Browne Jacobson solicitors at exempt Appendix A to this report and external legal and financial advice was sought throughout the discussions and a joint report of Browne Jacobson and 31 Ten Consulting Ltd may be found at exempt Appendix B to this report.
- 7.6 These and amended points have been incorporated into the DA which, together with the associated documents, is now in final form.

## 8 OTHER OPTIONS CONSIDERED AND REJECTED

- 8.1 The other option is not to proceed to enter into the development agreement and ancillary documents with the preferred bidder. This would not be in compliance with the Cabinet approval of 6<sup>th</sup> March and therefore we have considered and discounted that option.

## BACKGROUND DOCUMENTS: -

Previous Committee Reports: -

- a) CAB3034 Central Winchester – Adoption of SPD - June 2018
- b) CAB3271 CWR Development Proposals - November 2020
- c) CAB3281 CWR Development Proposals and Delivery Strategy – March 2021
- d) CAB3303 CWR Strategic Outline Business Case – July 2021
- e) CAB3322 CWR Outline Business Case – December 2021
- f) CAB3395(R) Governance of the Central Winchester Project – February 2023
- g) CAB3371 CWR Appointment of Development Partner and next steps – March 2023

## APPENDICES:

- A. EXEMPT - Browne Jacobson Legal advice report dated December 2023
- B. EXEMPT –Joint Report of Browne Jacobson and 31 Ten Consulting Ltd dated December 2023
- C. EXEMPT-Notes of consultation meetings between the delegated decision maker and consultees and relevant officers and legal advisors.

Paragraphs 2.3 and 3.2 and 3.3 and Appendices A and B to this report are exempt information under Schedule 12A of the Local Government Act 1972 for the reasons set out below:

(1) They contain information relating to the financial or business affairs of any particular person (including the authority holding the information) and in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information (paragraph 3 of Schedule 12A of the Local Government Act 1972).

(2) Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings and in all the circumstances of the case the public interest in maintaining the exemption outweighs the public interest in disclosing the information (paragraph 5 of Schedule 12A of the Local Government Act 1972).