

REPORT TITLE: CENTRAL WINCHESTER REGENERATION – ADOPTION OF SUPPLEMENTARY PLANNING DOCUMENT

4 JUNE 2018

REPORT OF PORTFOLIO HOLDER: Cllr Caroline Horrill

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WARD(S): TOWN WARDS

PURPOSE

A Draft Supplementary Planning Document (SPD) has been produced for the Central Winchester Regeneration (CWR) area. The SPD provides planning advice and guidance to prospective developers for regeneration of this area, building on the principles of the parent policies within the adopted Local Plan (Parts 1 and 2). It is not a blueprint, nor a prescriptive allocation of uses site by site but seeks to establish an overall vision and guidance as to how regeneration could be delivered. It will be a material consideration in determining applications within the CWR area.

In order for the SPD to carry weight in the planning decision-making process it will need to be adopted by the Council. The procedure for producing an SPD requires formal consultation before it can be adopted, as required by the Town & Country Planning (Local Planning) (England) Regulations 2012. This consultation took place between 11 December 2017 and 5 February 2018 and the report summarises the responses received following public consultation on the draft version of the SPD. The adoption of the SPD is recommended, subject to a number of amendments in response to the comments received. The amendments are outlined in the *consultation comments and responses spreadsheet* which is listed as a background document and available on the councils website on the Central Winchester Regeneration pages: <http://www.winchester.gov.uk/projects/engagement-and-consultation>.

RECOMMENDATIONS:

That the Overview and Scrutiny Committee raises with the Leader or other relevant Portfolio Holder any issues arising from the information in this report

and considers whether there are any items of significance to be drawn to the attention of Cabinet.

## IMPLICATIONS:

### 1 COUNCIL STRATEGY OUTCOME

- 1.1 The SPD builds upon relevant planning policies from the National Planning Policy Framework (NPPF), the Local Plan Part 1 (March 2013) and the Local Plan Part 2 (April 2017). Particular policies of relevance within the LPP2 include WIN2 – Town Centre, WIN3 – Views and Roofscape, WIN4 – Silver Hill Mixed Use Site, DM15 – Local Distinctiveness, DM 26 - Archaeology and DM27 – Development in Conservation Areas.
- 1.2 The SPD will provide a framework which supplements the policies referred to in 1.1 above and specifically Policy WIN4 for the Central Winchester Area. This area has potential to contribute to the Council Strategy objectives by enhancing the environment of the area, improving the local economy and providing important community benefits.

### 2 FINANCIAL IMPLICATIONS

- 2.1 The cost of developing the SPD, facilitating the public and stakeholder engagement and consultation and other related technical work is now estimated to cost £280,000, which is within the existing revenue project budget of £335,000.
- 2.2 The framework for future development set out in the SPD has potential to impact on existing revenue incomes such as public car parking and property rentals which will need to be carefully considered as part of any proposed development.

### 3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 As set out in paragraph 153 of the National Planning Policy Framework, SPDs build upon and provide more detailed advice or guidance on the policies in the Local Plan. Regulations 11 to 16 of the Town and Country Planning (Local Planning) (England) Regulations 2012 set out the requirements for producing SPDs.
- 3.2 Legal advice on the expression of requirements set out in the draft SPD was commissioned and incorporated into the throughout the consultation process.
- 3.3 After the formal period of consultation, a letter from an interested 3<sup>rd</sup> party was received challenging the scope of the SPD in relation to the parent local plan policies, particularly in relation to allocation of land uses.
- 3.4 Advice was sought from Leading Counsel in relation to this letter, and subsequently to the document overall and the SPD has been reviewed and amended accordingly.
- 3.5 As set out in part 5 of regulation 11, once adopted, applications may be made to the High Court for permission to apply for judicial review of the decision.

Such applications must be made no later than three months after the date on which the SPD was adopted.

#### 4 WORKFORCE IMPLICATIONS

4.1 None.

#### 5 PROPERTY AND ASSET IMPLICATIONS

5.1 Cost and valuation consultants, Deloittes, have been appointed by the Council to undertake assessment of the commercial viability of the proposals contained in the SPD. Deloittes have conducted high level viability appraisals based on suggested potential scheme options presented by JTP to investigate deliverability subject to an option appraisal on funding and financial return options. Further work will be required in due course, as more details on delivery and development proposals come forward.

#### 6 CONSULTATION AND COMMUNICATION

6.1 The SPD has been informed by an extensive programme of stakeholder and community engagement which was a direct response to policy set out in both Winchester City Council's Statement of Community Involvement (SCI, 2007) and the Government's Localism Act and the National Planning Policy Framework (NPPF, 2012).

6.2 The engagement process was launched in February 2017 and focused on a Community Planning Weekend held in March 2017 attended by over 700 people. Other activities involved individual meetings, Community Roadshows, focus group workshops and surveys. The surveys undertaken included users of the bus station and car park.

6.3 At the beginning of the engagement process, a stakeholder database was compiled with over 200 contacts, including Winchester City Councillors, landowners, businesses, community groups, public bodies, voluntary organisations and other key stakeholders. Those attending public events were invited to sign in, and added to the database resulting in a database of over 850 local stakeholders.

6.4 The SPD was drafted by consultants John Thompson and Partners (JTP) taking account of the results of the various consultation events, as well as the technical and other evidence that had been collected, Local Plan policies and government guidance. The Central Winchester Informal Policy Group (IPG) also considered the area and heard presentations by various stakeholders, which were taken into account in drafting the SPD.

6.5 The SPD was also considered by The Overview and Scrutiny Committee at its meeting on 27 November 2017. The Committee was supportive of the SPD and the SPD was subsequently considered by Cabinet with no amendments made.

- 6.6 Following consideration and approval of the SPD by Cabinet on 6 December 2017, formal consultation began on the draft SPD on 11 December for eight weeks, concluding on 5 February 2018 and included exhibitions across the district. Details of the exhibitions were made available on the Council website. Paper copies of the SPD and consultation forms were made available from local libraries after 11 December.
- 6.7 Comments received between 31 October and 6 December were noted at the Cabinet meeting on 6 December 2017 and carried forward into the formal consultation period. Comments received between 6 and 11 December were also carried forward into the formal consultation period.
- 6.8 The public and stakeholders were encouraged to submit feedback using the online comment form. Alternatively the questions were available to download as a PDF document, print and complete by hand if required. A free post address was provided for those completing the form by hand; or they could be handed into the Council reception. Comments could also be made by email or in person, by completing the form during exhibitions or by sending a letter to the free post address.
- 6.9 An item was placed in the Parish Connect and the Local Plan e-newsletter to notify people of the formal consultation. Letters/emails were sent to those on the JTP database and the statutory and general consultees on the Local Plan database.
- 6.10 A consultation statement detailing who was invited to be involved in the SPD preparation, how they were invited, a summary of the main issues raised and how they were addressed was made available with the draft SPD from 11 December.
- 6.11 A public notice to announce that the formal consultation had commenced went into the Mid Hants Observer on 14 December.
- 6.12 After the consultation closed, all comments were published on the Council website.
- 6.13 211 responses were received during the informal and formal consultation period. 32 of the responses were from representatives of organisations. All respondents were numbered and a list of the respondents and numbers is available as a background document. All comments have been carefully considered by the council project team, and members of the IPG along with JTP consultants. The councils response is set out in the consultation comments and responses spreadsheet. This document includes summaries of all the comments made but it should be noted that respondents' comments have been summarised, and similar themes grouped, so respondents' comments are not necessarily reproduced word for word.
- 6.14 The council has noted and reviewed all comments received and where appropriate, amended the SPD.

- 6.15 The amended version of the SPD can be seen at Appendix A
- 6.16 Overall, the consultation showed a wide level of support for the draft SPD, the vision it promoted and the objectives it set out. Whilst there was considerable comment on the detail of the draft SPD, the majority of this was aimed at refining, improving or adding detail to the draft SPD, rather than resulting from fundamental objections. However, amongst the themes that have emerged from the responses, the following key issues have been raised:
- 1 Sustainability / Environmental Protection
  - 2 Movement Strategy / Bus operations / Cycling
  - 3 Retail
  - 4 Archaeology
  - 5 Design guidance
  - 6 Viability and Delivery
  - 7 Development requirements
- 6.17 Sustainability / Environmental Protection
- 6.18 Whilst the majority of the responses received relating to the objectives were in support, a number of responses suggest that an additional objective should be included to cover requirements related to sustainability and protection of the environment.
- 6.20 Whilst sustainability is covered in section 3.14 in detail, a ninth objective 'Climate Change and Sustainability' has been added to the SPD to cover sustainability standards and expectations.
- 6.21 Movement Strategy
- 6.22 Comments were made regarding the timing of the Winchester Movement Strategy and the SPD. Various respondents suggest that it would be more appropriate to wait for the outcomes of the Movement Strategy before adopting the SPD.
- 6.23 The Movement Strategy will not be completed until some time after the SPD is due to be adopted, and it has a broader remit. The Council and HCC continue to work together to address the issues that have been raised.
- 6.24 The SPD has been amended to include sufficient flexibility to be able to deal with the potential outcomes of the Movement Strategy as this is considered a more appropriate solution than delaying the adoption of the SPD, with possible consequential effects for the regeneration of the CWR area.
- 6.25 Bus Operations

- 6.26 Linked to the Movement Strategy but specific to the revised bus operations, are issues regarding the loss of the bus stops outside M&S and Paperchase.
- 6.27 The Council carried out further work with iTransport, the Council's transport consultant, and HCC to assess alternative locations and has amended the drafting in the SPD to ensure there is flexibility within the vision to respond to these concerns.
- 6.28 Cycling
- 6.29 Clarity regarding provision for cyclists has been requested by many. A number of respondents have raised issues regarding insufficient reference to cycling provision throughout the SPD and specific questions have been raised around the safety of routes shared with pedestrians.
- 6.30 As a result, the SPD has been amended to clearly indicate where cycle routes could be and how they could connect with existing routes outside the CWR area.
- 6.31 Retail
- 6.32 A number of responses question the need for retail space within the CWR area, or the scale/type of retail proposed, suggesting that there are too many empty shops in Winchester already and that changes to shopping habits, with more people choosing to shop online, will lead to further decline in high street shopping.
- 6.33 The number of empty shops on the high street is lower than the national average. Winchester currently has a 3.1% vacancy rate against a national average of 8.9% (as at April 2018). Retail needs reports have been produced for the Local Plan and the SPD, these provide detailed evidence and recommendations on future needs and for the development of the site.
- 6.34 The SPD has not been changed as the drafting reflects the need for flexibility around the range of uses, including retail.
- 6.35 A number of responses are concerned with rents and rates, suggesting that they should be affordable for independents, start-ups and small businesses.
- 6.36 The Council does not directly control the retail sector costs. Rents are established by property owners and are market driven and business rates are set nationally. No change has been made to the SPD in this respect.
- 6.37 Archaeology
- 6.38 Questions have been raised regarding the approach to Archaeology.
- 6.39 A report produced by an Advisory Panel of Independent Archaeology experts has now been produced and is available on the Council website.

- 6.40 The recommendations contained in the report have been added to the SPD to give clearer guidance on this aspect of the development.
- 6.41 Design Guidance
- 6.41 A number of responses suggest that further consideration and guidance on architectural styles, design and materials is needed to inform planning applications.
- 6.42 It is not appropriate to include more detailed design guidance in the SPD as this will be addressed through the planning process.
- 6.43 A more detailed section on what the planning process requires has been added.
- 6.44 Very detailed or specific design requirements could also conflict with one of the aims of the SPD, which is to allow the area to be developed incrementally. This aims to allow for a variety of architectural responses, within the overall strategy and vision promoted by the SPD, and also informed by existing design guidance in the Local Plan and 'High Quality Places' SPD. The title of section 2 in the SPD be amended from 'Context' to 'Context and Design Principles' and the Planning Process set out in section 13.13 has been updated to clarify in more detail the planning process, highlighting areas such as expected developer contributions, community engagement and sustainability.
- 6.45 Viability and Delivery
- 6.46 Concerns have been raised regarding a lack of detail in relation to viability, specific questions in this regard relate to evidencing the rationale behind the split of land uses set out in the table on page 40 of the SPD.
- 6.47 The Council continues to work with consultants assessing a number of scheme options to ensure a viable scheme is achieved which is in line with the vision and objectives set out in the SPD - the outputs of these assessments will be shared once the work is complete. The ranges in the table allow flexibility to adapt to market changes.
- 6.48 As a consequence of the initial viability assessments, updates to the ranges in the table have been made.
- 6.49 Requests have been made for further detail on the delivery method and linked to this, questions have been raised as to how the Council intends to deal with the multiple landownership across the site.
- 6.50 Next steps will be to assess models for delivery to determine the most appropriate approach. This consideration will be subject to a further report in due course. It is not appropriate for the SPD to deal with the delivery method therefore no changes have been made to the SPD.

#### 6.51 Development requirements

- 6.52 Many have suggested that more detail /clarity is required regarding developer requirements, with some concerns that the mandatory requirements are not sufficiently set out.
- 6.53 It was acknowledged that it should be made clearer throughout the document what the key aspirations are for the development and the SPD has therefore been amended to reflect this issue.
- 6.54 The Informal Policy Group was tasked with development of an SPD for the CWR area and has delivered this objective through a broad public consultation process which has met legislative requirements and importantly captured the aspirations for this part of the city from communities across the district. The IPG has supported every stage of the development of the document.
- 6.55 A summary of the key themes that emerged from the formal consultation responses was presented at a public IPG meeting on 19 March 2018.
- 6.56 A summary of the Council responses to the key themes and, where appropriate, details of the subsequent amendments to the SPD were presented at a public IPG meeting on 14 May 2018.
- 6.57 All responses and representations received have been considered and a number of amendments have been made in response and this report recommends that the SPD as shown in Appendix A is adopted..

### 7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 Careful consideration has been given to traffic management and air quality issues in the formulation of the SPD for the Central Winchester Regeneration Area.
- 7.2 The area is located within the walled town of the Winchester Conservation Area and within the floodplain of the River Itchen. Other known constraints and opportunities include listed buildings adjacent to the site boundary; green and blue infrastructure including trees, waterways and culverts; movement; and land ownership. See the SPD for further detail.
- 7.3 Planning applications will have to comply with the sustainability policies set out in the Winchester District Local Plan Part 1 and Part 2. These include but are not limited to, reducing carbon footprint due to the district's above average carbon footprint, and reducing water consumption due to the severity of the water stress in the area.
- 7.4 The SPD outlines key considerations and specific aspirations that development proposals will need to take into account to ensure a responsive

development approach is achieved which reflects social, economic and environmental objectives. This includes a range of sustainable principles which, amongst others, ensure that the development protects and enhances the environment.

## 8 EQUALITY IMPACT ASSESSMENT

- 8.1 Local Plan Parts 1 and 2 comply with all the necessary legislative procedures and both were subject to an Equalities Impact Assessment which did not raise any specific matters at the plan making stage. As a supplement to Local Plan Parts 1 and 2, policies that inform the SPD have been assessed.

## 9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 Some personal data was collected through the consultation process.
- 9.2 Respondents were required to provide names and addresses. Telephone and email details were optional.
- 9.3 All respondents were made aware that names would be published on the website when consultation responses were made available.
- 9.4 All 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 from the respondents.

## 10 RISK MANAGEMENT

<b>Risk</b>	<b>Mitigation</b>	<b>Opportunities</b>
<p><i>Property</i>  <i>Significant external events such as property purchase or disposal may require immediate response which impacts on the programme.</i></p> <p><i>Lack of co-operation from landowners may impact on the development of the area going ahead as set out in the SPD,</i></p>	<p>Manage risk.</p> <p>Comprehensive engagement with landowners.</p>	<p>Comprehensive, co-ordinated regeneration of the CWR area will have a positive effect on the environment and economy of Winchester. Land transactions will enable the council to influence the scheme and the delivery thereof as a key stakeholder in the site.</p>
<p><i>Community Support</i>  <i>Lack of support for the SPD or raising of any unforeseen significant</i></p>	<p>Thorough and inclusive engagement has taken, and continues to take place.</p>	<p>Adopting the SPD on 20 June as planned will enhance the Council's reputation, which will</p>

<i>issue or challenge may lead to a delay to the adoption of the SPD.</i>		enhance community support for the next phases of the project and possibly other projects the Council is involved with.
<u>Timescales</u> <i>Cabinet do not resolve to adopt the SPD – there will be an impact on next steps and likely delays.</i>	Careful and robust assessment of the consultation responses and proposed changes, including seeking appropriate legal advice.	
<u>Project capacity</u> <i>Cabinet do not resolve to adopt the SPD – there will be an impact on next steps and likely delays.</i>	Careful and robust assessment of the consultation responses and proposed changes, including seeking appropriate legal advice.	
<u>Financial / VfM</u> <i>Development proposals arising from the SPD are not financially viable and cannot be delivered.</i>  <i>Significant up front expenditure may be required for development which will create an interim unfunded interest and MRP cost.</i>	Continue to undertake high level testing of viability including consultant input.  Close monitoring of any spend. Flagging up at the earliest opportunity when any spend required will be needed so the necessary provisions can be made.	Delivery of the proposed development will bring more people to the area and improve the local economy.
<u>Legal</u> <i>A legal challenge during the three month challenge period could result in having to revisit the SPD, delaying next steps for the project.</i>  <i>Perceived conflict of interest between Council as landowner and local planning authority.</i>	Ensure any legal challenge can be defended by complying with the legislative requirements and where necessary obtaining expert advice to guide and inform processes.  When making decisions be clear on the capacity in which the Council is acting.	Proactively consult legal Counsel to ensure the process and document is legally sound, giving confidence for comms and messaging.
<u>Innovation</u>		
<u>Reputation</u> <i>Cabinet do not resolve to adopt the SPD, there is a risk to the Council's reputation.</i>	Ensure the updated SPD adequately reflects input received through the engagement and consultation process and	Adopting the SPD on 20June as planned will enhance the Council's reputation and build confidence.

	technical advice provided. Careful and robust assessment of the consultation responses and proposed changes, including seeking appropriate legal advice will help with this.	
<i>Other Failure to reconcile all interests and ideas with achievable commercial and technical outcome.</i>	Set out clearly why key decisions have been taken ensuring all inputs are balanced.	

## 11 SUPPORTING INFORMATION:

### Role of the SPD

- 11.1 The SPD has been prepared for Winchester City Council by JTP architects and masterplanners to set out a vision and planning and urban design framework for the future development of the Central Winchester Regeneration Area.
- 11.2 The role of the SPD is to provide planning policy guidance to prospective developers for regeneration within this part of Winchester's city centre, building on the principles of the parent policies within the Adopted Local Plan (Parts 1 and 2) and other Council led strategies. It will be a material consideration in determining applications within the Central Winchester Regeneration Area.
- 11.3 The SPD aims to ensure that the future development is coordinated, sustainable and achieves high standards of architecture and urban design in order to protect and enhance the special qualities of the area.
- 11.4 The SPD also has a wider role in ensuring that the regeneration of the area promotes sustainable solutions to Winchester's wider physical, social, economic and environmental needs, challenges and aspirations.

### Regeneration Area

- 11.5 The Central Winchester Regeneration Area covers 4.5 hectares of land within the city centre, defined by Upper Brook Street to the west, Friarsgate and Middle Brook Street Car Park to the north, St. Johns Almshouses and the Lower Brook stream to the east and the Broadway and lower High Street to the south.
- 11.6 Some issues relating to the SPD go beyond this geographical boundary such as air quality, transport and parking. Where relevant to the CWR area, these

matters have been fully assessed throughout the process and through the commissioning of technical assessments/ reports and in close liaison with key stakeholders including the County Council as Transport Authority.

## 12 OTHER OPTIONS CONSIDERED AND REJECTED

- 12.1 The option of doing nothing was considered and rejected as being inappropriate as this will not facilitate a regeneration scheme. The Council is committed to ensuring that the future development of the Central Winchester Regeneration Area is coordinated, sustainable and achieves high standards of architecture and urban design in order to protect and enhance Winchester's character and heritage.

### BACKGROUND DOCUMENTS:-

#### Previous Committee Reports:-

CAB2995 – Central Winchester Regeneration – 6 December 2017

CAB 2794 – Central Winchester Regeneration – 29 March 2016

#### Other Background Documents:-

Supporting Technical reports:

<http://www.winchester.gov.uk/projects/central-winchester-regeneration-technicalreports>

List of consultation respondents

<http://www.winchester.gov.uk/projects/engagement-and-consultation>

Consultation comments and responses spreadsheet

<http://www.winchester.gov.uk/projects/engagement-and-consultation>

### APPENDICES:

APPENDIX A - Updated Draft Supplementary Planning Document (SPD)