



Minutes of the meeting of the **Overview & Scrutiny Committee** held Virtually on Tuesday 30 March 2021 at 2.00 pm

Members Present: Mr A Moss (Chairman), Mrs C Apel, Mrs T Bangert, Mr G Barrett, Mrs N Graves, Mr D Palmer, Mr C Page, Mr H Potter, Mrs C Purnell, Mrs S Sharp and Mr T Johnson

Members not present: Mr K Hughes

In attendance by invitation:

Officers present: Mr T Ayling (Divisional Manager for Planning Policy), Mr N Bennett (Divisional Manager for Democratic Services), Ms P Bushby (Divisional Manager for Communities), Miss K Davis (Democratic Services Officer), Mrs J Hotchkiss (Director of Growth and Place), Mr T Whitty (Divisional Manager for Development Management) and Mrs L Rudziak (Director of Housing and Communities)

97 **Chairman's Announcements**

The Chairman welcomed everyone to the meeting and explained that the meeting would be held in two parts due to the confidential nature of some of the subject matter relating to the Southern Gateway Regeneration project. The Committee was pleased to hold the meeting in public, however due to legislation certain elements of the project would need to be discussed in private session because of commercially sensitive negotiations. It was hoped that residents would respect and understand that certain answers to questions cannot be given in public.

An apology had been received from Mr Hughes.

98 **Appointment of Vice-Chairman for the Meeting**

In the absence of the Vice-Chairman it was proposed and seconded that Mrs Apel be appointed Vice-Chairman of the Overview and Scrutiny Committee for today's meeting.

RESOLVED

That Mrs Apel be appointed Vice-Chairman of the Overview and Scrutiny Committee for today's meeting.

99 **Declarations of Interests**

Mr Moss declared an interest as a CDC representative of Coast to Capital and Coastal West Sussex.

Mr Purnell declared an interest as a Member of West Sussex County Council.

Mr Plowman declared an interest as a Member Chichester City Council and a Member of Chichester Area Conservation Committee.

Mr Dignum declared an interest as a Member of Chichester City Council.

Mrs Apel declared an interest as a Member of Chichester City Council.

Mrs Sharp declared an interest as a Member of Chichester City Council.

Mrs Lishman who was observing the Committee declared an interest due to her employment by the Stagecoach Group and Mr Bennett confirmed that Mrs Lishman would be required to leave the meeting during the Part II element of item 5.

100 **Urgent Items**

There were no urgent items.

101 **Public Question Time**

Question from Bob Mousley

1. Officers need to produce a statement on each individual site about ownership, state of negotiations, and honest appraisal about the possibility of delivery within the overall context?
2. What needs to happen for each site to be delivered ie bus garage relocated? Where is each site today?
3. The contract with HBD will need to be retendered as under EU rules and the content has changed significantly?
4. Does the current proposal allow for flexibility to content and makeup?
5. Is it correct that no works can commence until all sites are in the ownership of the Council?
6. What research have the officers done in regard to alternative proposals for each site?
7. The railway station is a key element in the proposal, what negotiations have been undertaken with Network Rail.
8. How long are the Law Courts to be reused on a temporary basis? They can be included in any later phase?

9. What are the officer's proposals for what happens next?
10. What research have the officers completed into electric buses new transport network for Chichester?
11. How have the officers built key concerns on biodiversity and sustainability?
12. How does southern gateway relate to the emerging Neighbourhood Plan for the city?

Basically, there needs to be a fact-finding exercise over the next two months that pulls together as much information as possible, on:

Southern Gateway
 Southern Link Road
 Northern Link Road
 Neighbourhood plan
 Transport infrastructure Public and A27 A259, Midhurst road etc.
 WSCC Growth Deal
 Future of education: schools, university, colleges etc.
 Manor Farm Green building Park (WSCC)
 CDC Offices
 WSCC County Hall future
 High Streets greening
 Cathedral Square
 Northern gyratory
 Cycle routes
 and more

There needs to be a basic independent overview of opportunities (Jenny Anderson to lead with Julie Kapsalis involvement) with provisional costings (Nick Burrell WSCC to lead)

WSCC, CDC, CC plus interested groups engaged in the process.

It is then possible to move forward quite quickly with various projects but they have to be within the context of an overall Masterplan (inc. sustainability, bio diversity etc.) for the whole of Chichester and immediate environs. WSCC would be up for that.

Then having delivered some small projects which show possibilities, it will attract funding for the bigger picture. Masterplan design to happen within a fixed 12-month timeframe and include Citizens Assembly and Neighbour Plan. A lot of the information gathering already exists.

This project will be phased over a number of years, but it has to be within a cohesive Masterplan so that no project interferes with any other.

This will engage the community who have a lot to offer and can help with micro-steps/projects leading up to 2030.

I could explain more, all of this is achievable with good communication and cooperation from all concerned.

Nobody is interested in the past, that's gone,
So where are we now?
Where do we want to go?
How do we get there?

Happy to talk or attend any meetings, etc. to discuss how we can move project Chichester forward.

I am a non-political, free-thinking creative, with no hidden agenda.

Answer

Thank you Mr Mousley for your question

You will be aware from the Overview and Scrutiny Committee report that, the Council along with its partner West Sussex County Council have been working together to implement the Southern Gateway Regenerations plans for a number of years. The Council selected its preferred Development partner after an open competitive procurement process and we are currently working with Henry Boot Developments (HBD) to progress the project. These commercial discussions are on-going and due to the sensitivity of these commercial discussions some of your questions cannot be answered fully at the moment. I note your comments regarding engaging with the community and as part of delivery of the Southern Gateway project, HBD have proposed a stakeholder groups who they will consult and work with once the Development Agreement is signed, the details of which were reported to the Councils Cabinet in May 2020. This group will consist of local resident organisations, clubs, societies, business representation (i.e. Chichester BID and Chichester Chamber of Commerce) and educational establishments including the College and University. Many of these groups have already registered interest through our website.

There will also be a Partnership delivery group consisting of representatives from Chichester District Council, West Sussex County Council, Chichester City Council, a Community Representative (from the Stakeholder Group), Business representative from the Chamber or BID and HBD.

In addition to this HBD will develop a website and social media sites to reach the wider community and have proposed to hold a series of public exhibitions, consultations and pop up events.

It should be noted that this is separate and distinct to the formal planning process which is expected to and involve consultation by the developer at the pre planning application stage and subsequent statutory consultation on planning applications that are submitted to the Council as Local Planning Authority for determination.

Question 1 and 2

With regard to site ownership and status, Chichester District Council owns the Basin Road car park, Bus Station and Bus Depot which is leased to Stagecoach. WSCC own the old School building and All-weather pitch

The Police Authority own the old Police Field, HMCTS own the two court buildings. Royal Mail owns the Royal mail distribution centre. Network Rail own the railway car park leased to the train operator. The negotiations on these sites are confidential with the landowner and the developer.

Question 3

The project was competitively tendered under an OJEU procurement process. This process is now called contract and notices and is published in 'find a tender' under the government website. There is no change to the process yet and the Public Contracts Regulations 2015 remain in place.

Question 4

The current master plan for the Southern Gateway is a flexible master plan and the procurement process and Development agreement reflect this.

Question 5

No, all of the sites do not need to be in council ownership to progress the project

Question 6

The Council is working with HBD to complete the Development Agreement further details on this are commercially sensitive at the moment

Question 7

We continue to keep Network Rail informed on progress with the project, our last meeting with Network Rail was yesterday.

Question 8

We have been informed by HMCTS that the Courts are to be opened as Nightingale courts to address the back log in court cases. We continue to liaise with HMCTS and they have informed us that they will conduct a review of their requirements for Nightingale courts going forward and will inform us of when they will conduct the review; to date we have not been informed of any review date.

Question 9

Officers continue to keep members informed of progress on the project and the work with HBD

Questions 10

Chichester District Council Officers have liaised with West Sussex County Council public transport Officers regarding the infrastructure required going forward ie bus stops, with regard to electric buses this is something that the WSCC officers are working on with their delivery partners.

Question 11

Matters such as biodiversity impacts and sustainability will be considered alongside other key planning matters via the normal planning process. HBD will therefore need to take account of such matters as part of the preparation of detailed planning proposals for the Southern Gateway area which will need to be submitted for the Council's consideration in due course.

Question 12

The Southern Gateway Masterplan has been adopted by the Council as a Supplementary Planning Document (SPD). The SPD provides guidance on the Council's expectations for the future development of the area. Whilst it is a planning consideration in the determination of relevant planning applications, it is not part of the adopted development plan. Should the City Council decide to prepare policies for the Southern Gateway as part of its Neighbourhood Plan, these will be the subject of scrutiny and consultation through the neighbourhood planning preparation process and to be found 'sound' will need to be in conformity with the strategic policies of the adopted Chichester Local Plan. Should the Neighbourhood Plan in due course, be 'made' and contain such policies, they would be an important consideration in the planning application process.

Question from Andrew Bain

On behalf of the Chichester Society Executive Committee we have the following question:-

Is the Masterplan for the Southern Gateway going to be reviewed in the light of the impact of the Covid-19 pandemic, and the opposition to retaining the existing unsatisfactory traffic situation around the level crossings? We consider that The Council should work on this review with the Chichester Development Group who have produced their inspirational Grand Vision for Chichester Tomorrow and with The City Council who proposed a solution to the traffic problem in their recent Local Plan consultation. Both parties would help bring about a more hopeful future for the Southern Gateway.

Answer

Thank you Mr Bain for your question.

The Southern Gateway Masterplan was adopted by the Council in November 2017 as a Supplementary Planning Document (SPD). This followed the appointment of specialist master planning consultants to undertake extensive evidence-based work to assess the options and opportunities for appropriate development and supporting highway infrastructure and public realm enhancement across the masterplan area.

The masterplan sets out proposals for significant changes to the highway network around the existing one-way gyratory, including the restriction of the Stockbridge Road level crossing to pedestrians, cyclists and buses only, to reduce traffic congestion and improve safety. Other options such as a bridge and tunnel were fully investigated as part of the masterplan work and it was concluded that they were neither technically feasible nor financially viable.

The masterplan is intentionally focused on that part of the city immediately to the south of the central shopping area which has been identified as being in need of regeneration and redevelopment and for these reasons; it is not, at this stage, proposed to review the masterplan.

The Chairman invited Mr Bain to ask a supplementary question. Mr Bain asked as a resident living in close proximity to the Southern Gateway area, when the work would take place? The Chairman responded he wished to assure Mr Bain that the reason for this item coming before the Committee was because Members wished to ensure progress. Officers were working very hard on the project but the current pandemic had created a more challenging environment in which to make progress. The Chairman confirmed that once certainty was established, both the residents and the Chichester Society would be informed. The Chairman thanked the speakers for attending.

Members sought clarification regarding when the Part I and Part II questions would be brought forward. The Chairman confirmed there were a number of questions from Members of OSC and the wider Council, and some of which would be taken in part I and others in part II, and this would be carefully managed.

With regards to a question from Mr Tappin, it was confirmed by Miss Davis that the question had been submitted after the deadline and therefore the question had been circulated to Members for their information.

102 **Southern Gateway**

The Chairman welcomed Mr Roberts to the meeting who was a consultant from JLL and Mr Dignum as Cabinet member for Growth, Place and Events.

The Chairman invited Mrs Hotchkiss to present the item. Mrs Hotchkiss began by confirming Mr Roberts was the director of JLL which was an international property company and he had wide experience of advising on regeneration projects.

Mrs Hotchkiss explained that the Council with its partner West Sussex County Council has under a collaboration agreement been working to implement the Southern Gateway Regeneration Project for a number of years. Following an agreement at full Council to test the market, an open competition was run and following evaluation of the bids it was recommended at Cabinet and full Council in December 2019 to agree the preferred development partner, Henry Boots Developments (HBD). The pandemic had resulted in a significant impact on the project, and the market sectors the project was planning to bring forward including leisure, retail, hospitality, office accommodation and a hotel. In addition, the decision by Her Majesty Courts & Tribunal Service to open a Nightingale court to address current case backlog, had also impacted. Officers supported by JLL had worked with HBD to consider different options within the project. As part of the tender process HBD had proposed to develop the old police field, school site and Magistrates Court for residential and mixed use. Due to the HMCTS decision, the court house cannot be included within phase one, but there was a commitment to working with HBD to develop a viable phase one and investigate alternative sites within the Southern Gateway Regeneration Project area. Mrs Hotchkiss confirmed

that regular updates had been provided for Cabinet and full Council, and monthly bulletins for all Members regarding progress on the project.

Members had asked a number of Part I pre-prepared questions which were read by the Chairman and Members, and also asked further questions:

Question 1

We have heard there will be a health centre in Southern Gateway. Is this a proper medical centre where procedures can be carried out i.e. hospital appointments with consultants, physio radio therapy etc.? This can save patients many hours of travelling and waiting in hospitals. It also saves the local NHS money as less hospital appointments are needed?

Mrs Hotchkiss responded:

The Sussex Community Foundation Trust (SCFT) would look to incorporate the relocation of all SCFT's outpatient community health services provided within the City of Chichester.

In summary SCFT would occupy c. 3,200m² of accommodation and this will include:

- Outpatient physiotherapy
- Special care and emergency dental services
- Child development centre
- Specialist community nursing clinics, including lymphedema, intravenous nursing, long term conditions such as Parkinson's
- Staff base for adult community nursing services (where most patient contact is within patient homes) aligned to the primary care networks
- Healthy child programme nursing staff base
- Children's specialist therapies, including speech and language therapy - aligned to the child development centre, delivered in schools, clinics, homes and other settings
- Time to Talk, which is the Trust's 'Improving Access to Psychological Therapies' service

For Primary Care it will be the relocation of GP practice from current location to planned new location, subject to viability.

Primary Care is expanding care provision, and community is wrapping around this (that service managed by SCFT – Sussex Community FT)

- . GP appointment for health concerns
- . Respiratory Diseases
- . Family Planning
- . Child vaccinations
- . Minor Surgery
- . Stop smoking

Question 2

In event of a change to the current road layout will a full transport study be conducted to assess any impact and can proposed changes to the A27 be included in the assessment?

Mr Ayling responded:

Any development proposals (including changes to the current road layout) will need to be supported by transport evidence which would be agreed in scope with West Sussex County Council as Highway Authority. That work will need to take into account the current position regarding the A27 and how far progressed are any proposals for changes to that road.

Question 3

Periodically the Canal trust has to lift the boats out of the water for maintenance and in some cases they have to be transported away from the site. Will the necessary provisions be put in place to ensure this necessary access?

Mrs Hotchkiss responded:

The Canal Trust contacted the Council before the development of the brief was issued for tender and there access requirements were included. HBD architects in their proposal have taken into account the requirements and have retained an access road to the rear of the Richmond Arms Public House for the Canal Trust. This was included in the documentation available to Member in December 2019.

Question 4

Clearly the project has been delayed by the Coronavirus restrictions, the resulting change of mind by the Ministry of Justice, and probably other causes; what is the proposed new timeline?

Mrs Hotchkiss responded:

A regeneration project of this size can take years to deliver with the master plan stating timescales for each of the sites which ranged from of short to medium of 2 – 5 years , medium term 5 -10 years and longer term of 10 years plus.

The new proposed timeline will depend on what option or options are pursued. If we enter into a development agreement with HBD the development agreement allows for a 12 month pre condition period with an option to extend by six months if agreed by both parties to soft market test, conduct any further site investigation work required and allow for site assembly as reported to Cabinet in November 2020. There is a planning long stop of 18 months from the satisfaction of the pre-condition and there is an overall longstop date on the whole project of ten years. All long stops dates can be waived early on agreement from both parties.

Question 5

Is the housing still actually deliverable in the light of the latest Environment Agency predictions of Sea Level Rise to 2118?

Mr Whitty responded:

The only portion of the Southern Gateway Regeneration which was in the flood zone was the school site and the police playing fields and the updated modelling from the Environment Agency does not extend the flood risk any further than those sites which are in flood zone one and two. Any development of those sites would have to conform to sequential tests as required by the National Planning Policy Framework, that is a Southern Gateway regeneration development or individually. At this point there are no factors which suggest the area cannot be development but that would be subject to the test as part of the planning application process.

The Chairman requested further clarification regarding if the site were brought forward separately and not as part of a masterplan, whether that would change how the sequential test was considered?

Mr Whitty responded as part of the sequential test considering the entire Southern Gateway then an argument could be advanced that no other site was suitable in that it was vital to the regeneration project. If it was not part of a regeneration project, it would not be unacceptable but give the question a different emphasis which would need to be answered by the applicant in the sequential test process.

Question 6

Why did we not reach out to local businesses with an interest in Chichester who may have been interested in putting forward a local bid?

Mrs Hotchkiss responded:

Under procurement regulations we need to test the market. This was explained to any local companies that approached us and were invited to tender. Local companies did express an interest at the beginning of the tender process but did not continue or submit a bid.

Question 7

Did we appoint professional master planners and regeneration professional at the start of this project?

Mrs Hotchkiss responded:

Following Cabinet's approval of funding for this project, David Lock Associates, a planning, master-planning and urban design consultancy was appointed to prepare the masterplan with Peter Brett Associates commissioned to undertake the transport appraisal.

JLL was subsequently appointed as property and development advisor and Browne Jacobson as our legal advisors.

Question 7

Typically how long would a compulsory order take to complete?

Mrs Hotchkiss responded:

The Council Acquiring Authority (AA) having decided that land is required for a particular purpose or Scheme and that they are prepared to use Compulsory Purchase Order (CPO) powers to assist in achieving this. Boundaries are defined and information is gathered.

This stage is essentially an information-gathering exercise but as part of the process, the Council may decide to enter into early negotiations with land owners. Ultimately a Compulsory Purchase Order is an acquisition by last resort and therefore the Council must demonstrate that it has exhausted all other avenues to purchase the land as members will recall from other CPO matters.

The Council will then need to go through formal resolution stage for a CPO, this typically takes three months as a minimum. Land referencing work by an external consultant will then be required and this can take up to another three months depending upon what is identified – possibly longer for a complex site with various potential established rights to investigate. This activity is recording ownership and occupational details of the land so as to identify all parties with a legal interest or right to occupy the required land so that they can be formally extinguished. This is likely to be more complex in an urban area such as Southern Gateway though legal have already done as much preparatory investigative work to support land referencing as is possible.

Once the land referencing has been completed, the Council will make the CPO again through a report to full Council.

When making the Order the Authority will also prepare a Statement of Reasons. The Statement of Reasons will demonstrate that the proposed Scheme and consequently the CPO is in the public interest and will deliver social, environment and economic well-being. These are the criteria upon which a CPO is judged. The foundations for this have been carried out but will need to be developed and completed post Land Referencing, to take into account, those elements. This may add a month to the process.

Notices will then need to be served on all owners, leaseholders, tenants and occupiers of affected land as well as any party who may have the right to claim compensation because they own rights which will be interfered with or the value of their land will/may be reduced as a result of works carried out as identified in the Land Referencing. This is likely to take an additional two months.

Within these notices the Authority will specify a time within which objections to the CPO can be made. This must be at least 21 days but tends to be extended to 28 days from the date the notice is published. A single statutory objection this will trigger a Public Inquiry which would normally add six weeks to the process. At this time the operation of the process is harder to gauge due to the impact of Covid upon the Ministry and the Planning Inspector and some variations to the statutory timelines have been made under the Coronavirus Act 2020.

As an alternative to an inquiry, objections can be considered by the Planning Inspector through the written representations procedure but this takes a similar time.

Following the Inquiry the Inspector prepares a report which is then considered by the Secretary of State, or Confirming Minister for approval or otherwise. The report will make a recommendation regarding the proposed Compulsory Purchase Order. The Secretary of State will then confirm the Order, possibly with modifications or reject the proposed CPO. There is no formal deadline for this but it can take up to two months.

A reasonable estimate is that taking a CPO through all of the above will be 12 to 14 months at best even if overlapping of work is done to the extent possible and authorisation meetings are able to be delivered and agreed in a timely manner, possibly longer due to delays in the system due to covid in particular if objections are submitted.

If confirmed (with or without modifications) then CPO powers will be confirmed or granted to the Council, who then have a period of three years within which to execute the Order.”

Question 8

Is the whole road structure dependent upon the court buildings and therefore must this be reviewed?

Mrs Hotchkiss responded:

The road layout can be implemented without the court site.

Resolved

That Overview and Scrutiny Committee notes the background information contained in the Part I report and makes any recommendations to Cabinet.

103 **Exclusion of the Press and Public**

Resolved

The Committee is asked to consider whether the public including the press should be excluded from the meeting on the grounds of exemption under paragraph 3, information relating to the financial or business affairs of any particular person including the authority holding that information of section 12a of the Local Government Act 1972 as indicated and because in the circumstances of the case the public interest of maintaining the exemption of that information outweighs the public interest in disclosing the information.

Mrs Lishman left the meeting due to her declaration of interests.

104 **Southern Gateway**

Mrs Hotchkiss and other officers responded to Members' Part II pre-prepared questions.

RECOMMENDED TO CABINET AND COUNCIL

That the Overview and Scrutiny Committee makes the following recommendations:

1. That a Southern Gateway regeneration project is strongly supported and is seen as important to the long term prosperity of Chichester City and surrounding community and the Masterplan is retained;
2. That the Overview and Scrutiny Committee supports ongoing negotiations with Henry Boot Developments subject to the outcome of the LEP funding and a viable scheme; and
3. That a recommendation is brought to Full Council prior to signing the Development Agreement.

105 Late Items

There were no late items.

The meeting ended at 5.50 pm

CHAIRMAN

Date: