

**WYRE FOREST DISTRICT COUNCIL**

**CABINET**  
**15<sup>TH</sup> MARCH 2011**

**Regeneration of Stourport Canal Basins,  
Bridge Street Basins Link – STC4**

| <b>OPEN</b>                                 |  |
|---|--|
| <b>SUSTAINABLE COMMUNITY STRATEGY THEME</b> | Economic Success Shared by All   |
| <b>CORPORATE PLAN AIM:</b>                  | A Vibrant Local Economy  |
| <b>CABINET MEMBER:</b>                      | Councillor S J M Clee  |
| <b>DIRECTOR:</b>                            | Director of Planning & Regulatory Services   |
| <b>CONTACT OFFICER:</b>                     | Mike Parker, Director of Planning & Regulatory Services – Ext. 2500<br>Mike.parker@wyreforestdc.gov.uk |
| <b>APPENDICES:</b>                          | None   |

**1. PURPOSE OF REPORT**

- 1.1 To approve the evaluation model for selecting a development partner to implement the Bridge Street Basins Link Development.
- 1.2 To grant delegated authority to the Director of Planning & Regulatory Services to award the contract to a development partner in accordance with the evaluation model.

**2. RECOMMENDATION**

**The Cabinet is asked to DECIDE:**

- 2.1 To approve the evaluation model set out at paragraph 4.2.
- 2.2 To grant delegated authority to the Director of Planning & Regulatory Services in consultation with the Cabinet Member for Planning & Regeneration and the Director of Legal & Corporate Services to award the contract for the redevelopment of the Bridge Street Basins Link (STC4) to a development partner, in accordance with the evaluation model.

**3. BACKGROUND**

- 3.1 The Bridge Street Basins Link (STC4) is a redevelopment site identified in the adopted Local Plan (2004); a Supplementary Planning Document (The Bridge Street Basins Link Development Brief) was also prepared. The purpose for redeveloping the site is to improve the visual and pedestrian link between the town centre and the basins to improve prominence and accessibility to the basins.
- 3.2 Historic reports by Piedad and GHK which were undertaken in conjunction with British Waterways identified a significant untapped visitor potential (and spend) in the canal basins as a tourist attraction. The fact that the basins were not visible, nor readily

accessible from the main streets in the town created a missed opportunity to realise this potential. The STC4 site was, therefore, identified as a suitable location to enable greater visibility and accessibility.

- 3.3 Since those reports were published, British Waterways has successfully implemented a Heritage Lottery Fund package of works to enhance the historic fabric of the basins and residential development around the re-opened Lichfield Basin is also well advanced. This further emphasises the need to open the basins up to Bridge Street to attract visitors.
- 3.4 Working in partnership with British Waterways and Advantage West Midlands (AWM), the Council sought to compulsorily purchase part of the STC4 site at 8 and 8a Bridge Street – the former Lloyds’ Garage and adjacent hairdressers. Eventually agreement was reached to purchase the site without the need to finalise the compulsory purchase arrangements. The Council acquired the site in 2009 with a view to procuring a development partner to deliver a commercially viable scheme that opened up access to the basins. Long term ownership would then be transferred to British Waterways who would lease the land to the development partner.
- 3.5 A full EU tender procedure has been followed due to the estimated value of the project. A notice in the Official Journal of the European Union (OJEU) seeking suitably qualified development partners was published on 25<sup>th</sup> January 2011 and closed on 25<sup>th</sup> February 2011. The Council received 11 responses which will go forward to the selection process.
- 3.6 The selection process will be in three stages; firstly following the response to the initial notice a selection process will take place where consideration will be given to the respondees past experience and financial capacity to deliver the scheme. It is intended that this first stage will reduce numbers going through to the final stage to no more than five, in accordance with EU Regulations. The second stage will then be the award of the contract, based on the evaluation of the tenders as described below. The final stage will require the top three from the award evaluation to make a presentation before the final selection is made.

**4. KEY ISSUES**

**Tender Evaluation**

- 4.1 The award of tender will be based on a value for money tender evaluation model, split 20% on a purchase value of land and 80% on quality of scheme/fitness for purpose of the development proposed, followed by a presentation.
- 4.2 The tenders will be evaluated using the following criteria:

| <b><u>Criteria</u></b>                | <b><u>% Value</u></b> |
|---------------------------------------|-----------------------|
| <i>Quality Criteria (80%)</i>         | 80%                   |
| ▪ Environmental considerations        | 10%                   |
| ▪ Presentation                        | 10%                   |
| ▪ Meeting partners’ specification     | 30%                   |
| ▪ Methodology                         | 30%                   |
| <i>Land Value (20%)</i>               | 20%                   |
| ▪ Return to partners for sale of land | 20%                   |

4.3 The indicative timetable is as follows:

**2011**

|                           |   |
|---------------------------|---|
| 25 <sup>th</sup> January  | OJEU Notice published seeking expressions of Interest |
| 25 <sup>th</sup> February | Closing date for expressions of Interest              |
| W/C 7 <sup>th</sup> March | Issue Pre Qualification Documents (PQQ)               |
| 15 <sup>th</sup> March    | Cabinet Report  |
| 28 <sup>th</sup> March    | Evaluate PQQ Documents                                |
| April                     | Issue Tender Documents                                |
| May                       | Tender Return and Evaluation                          |
| June                      | Award Contract  |

**5. FINANCIAL IMPLICATIONS**

5.1 The Council has entered into a collaboration and funding agreement with AWM and British Waterways to achieve the redevelopment of this land. The Council set aside £500,000 for the capital programme which has been match funded by AWM to support the purchase of the land. The agreement provides that any receipt for the sale of the land firstly covers the costs of disposal and other administrative outlay, then returns the value of the British Waterways land and, finally, the remainder is divided equally between AWM and the Council.

**6. LEGAL AND POLICY IMPLICATIONS**

- 6.1 Due to the value of the project, it is subject to the EU tender procedure and an OJEU notice was duly published on 25<sup>th</sup> January 2011.
- 6.2 The successful development partner will be required to enter into a final contract prepared by the Director of Legal & Corporate Services.

**7. EQUALITY IMPACT NEEDS ASSESSMENT**

7.1 This is a financial report and there is no need to undertake an Equality Impact Assessment.

**8. RISK MANAGEMENT**

- 8.1 Failure to secure a suitable development partner will leave the site vacant and undeveloped and will not achieve the ambition of the partners. The Council would remain responsible as the owner of the site and its upkeep and maintenance.
- 8.2 The principal purpose behind the public sector intervention in acquiring the site and promoting its redevelopment is an acknowledgement that creating a pedestrian access through the site impairs its value to developers, thus preventing them from maximising the development value of the site, as a consequence, partners accept that they may not see a full return on their outlay to purchase the site.

**9. CONCLUSION**

9.1 In conducting this procurement exercise, the Council will achieve the best outcome for a development in terms of price and quality.

**10. CONSULTEES**

- British Waterways.
- Advantage West Midlands (AWM)
- Procurement Officer.
- Director of Legal & Corporate Services.
- Director of Resources
- Cabinet Member for Planning & Economic Regeneration

**11. BACKGROUND PAPERS**

11.1 None.