

PROGRESS REPORT REGARDING THE RYECROFT SCHEME AND APPOINTMENT OF RETAIL SPECIALIST CONSULTANTS

Submitted by: Neale Clifton, Executive Director - Regeneration & Development

Portfolio: Regeneration & Planning

Ward(s) affected: Town

Purpose of the Report

To advise Members of the progress made in relation to the Ryecroft redevelopment scheme and in particular to advise of the results of a tendering exercise for retail specialist consultants.

Recommendations

- (a) That Cabinet notes the progress made on taking forward the Ryecroft redevelopment scheme.**
- (b) That Cabinet notes the Portfolio Holder's decision to award the retail consultancy contract to Cushman Wakefield as the most economically advantageous tender.**

Reasons

To enable the Council to bring forward a comprehensive redevelopment of the Ryecroft area of the town centre, so assisting the Council to better shape the future development of the overall town centre (and, in particular, to promote its long term economic prospects as a viable and attractive retail centre).

1. Background

- 1.1 At its meeting on 29 June 2011 the Council agreed to take the necessary steps, in conjunction with Staffordshire County Council, to acquire the former Sainsbury's food store in Newcastle Town Centre. An additional resolution authorised officers to procure specialist advisors to assist the local authority partnership in finding a development partner with a view to securing the comprehensive retail-led redevelopment of the Ryecroft area.
- 1.2 In line with the said resolutions, your officers, working with Staffordshire County Council, completed the formal acquisition of the property and action was taken to enable the car park to be used for public parking (once health and safety issues had been addressed). Also steps have been taken to market the site relating to both the short term letting opportunity and the long term redevelopment ambition. More recently a competitive tendering process was undertaken, by way of a "restrictive procurement" procedure, to procure the specialist advisors to assist the Councils in achieving the latter objective.

2. Issues

- 2.1 The tendering exercise was operated in line with the Borough Council's restricted tendering procedure, which consisted of a Pre Qualification Questionnaire (PQQ) followed by an Invitation to Tender.
- 2.2 The contract opportunity was advertised on the "My Tenders" website, on the Borough and County Councils' websites and in the Estates Gazette.

- 2.3 26 Expressions of interest were received resulting in 8 providers submitting completed PQQ these were scored by a panel of 5 officers (including two County Council colleagues) and 5 providers were shortlisted and invited to tender.
- 2.4 The 5 shortlisted providers invited to tender were evaluated on the basis of the 'most economically advantageous tender' (MEAT) based on a 60% : 40% (Quality : Price) ratio.
- 2.5 In order to expedite the next stage of work Officers proceeded to award the contract to the successful tenderer, in consultation with the Portfolio Holder, using the "urgent/non/controversial" provisions in the Council's scheme of delegation. This report seeks to draw this decision to Members' attention in view of the importance of the project.

3. **Options Considered**

- 3.1 Do nothing – to do nothing (i.e. not to procure the specialist advice) would not drive forward the Councils' aspirations for the comprehensive re-development of the Ryecroft site.
- 3.2 To proceed with the procurement – this is in line with the Councils' aspirations for the comprehensive re-development of the Ryecroft site and the Borough Council's resolution to procure this advice.

4. **Proposal**

- 4.1 (a) That Cabinet notes the progress made on taking forward the Ryecroft redevelopment scheme.
- (b) That Cabinet notes the Portfolio Holder's decision to award the retail consultancy contract to Cushman Wakefield as the most economically advantageous tender.

5. **Reasons for Preferred Solution**

- 5.1 This opportunity has been offered to the market through a competitive tendering process. The selected consultancy – Cushman Wakefield has been jointly agreed with Staffordshire County Council as the most economically advantageous tender received.

6. **Outcomes Linked to Sustainable Community Strategy and Corporate Priorities**

- 6.1 This scheme is being pursued in support of the Council's regeneration objectives, 'Creating a Borough of Opportunity', specifically in order to promote investment growth and jobs in the town centre.

7. **Legal and Statutory Implications**

- 7.1 The proposal is consistent with the powers of the Local Authority.

8. **Equality Impact Assessment**

- 8.1 There would be no direct implications arising from this commission but clearly any redevelopment would be designed to meet the needs of all sections of the community by complying with the relevant legislation such as the Disability Discrimination Act.

9. **Financial and Resource Implications**

9.1 **Tender Results:**

Following assessment of responses to the Pre Qualification Questionnaire the following consultancies were invited to submit tenders for the service:

- (a) Provider 'A'
- (b) Provider 'B'
- (c) Provider 'C'
- (d) Provider 'D'
- (e) Cushman Wakefield

Tender values were returned as:

- (a) £54,975
- (b) £57,500
- (c) £69,000
- (d) £77,000
- (e) £90,000

Tenders were assessed on the basis of 'most economically advantageous' using cost (40% weighting) and quality (60% weighting) criteria. This weighting was utilised to reflect the greater importance of the qualitative aspect of the commission.

The assessment score for the successful tender was 84.43

The assessment scores for all the tenders were as follows:

- (a) 83.71
- (b) 80.13
- (c) 82.73
- (d) 79.72
- (e) 84.43

9.2 Both officers from Staffordshire County and your own officers are satisfied that value for money has been demonstrated through the competitive tendering of the service. In summary this means that whilst the tender price of the selected consultancy was the most expensive, the qualitative evaluation of their submission resulted in them achieving the highest score. Additionally it is noteworthy that the brief for this commission required interested parties to submit fee proposals which demonstrated their incentivisation to deliver a development partner.

9.3 The Borough Council's contribution of 25% for the cost of this service will be met from the existing capital budget allocation for the Ryecroft scheme; the County Council will meet the other 75% of the cost as required by the Joint Venture agreement between the partners.

10. **Major Risks**

10.1 A full risk assessment for the Ryecroft scheme is being managed by the Project Manager, supported by the joint Staffordshire & Borough Council multi-disciplinary Ryecroft Steering Group.

11. **Key Decision Information**

- 11.1 This appointment decision will not involve significant expenditure for the Council. The decision is included in the forward plan for the period.

12. **Earlier Cabinet/Committee Resolutions**

Council, 23 March 2011

Council, 29 June 2011

14. **List of Appendices**

None attached

15. **Background Papers**

Strategic Investment Framework for Newcastle Town Centre

Prevailing national and local planning policies including the Joint Core Spatial Strategy

The Council's Asset Management Strategies 2012/11 and 2011/12