



Public Document Pack STROUD DISTRICT COUNCIL

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04 July 2022

STRATEGY AND RESOURCES COMMITTEE

A meeting of the Strategy and Resources Committee will be held on **TUESDAY, 12 JULY 2022** in the Council Chamber, Ebley Mill, Ebley Wharf, Stroud at **7.00 pm**

Kathy O'Leary
Chief Executive

Please Note: The meeting is being held in the Council Chamber at Stroud District Council and will be streamed live on the Council's [YouTube Channel](#). A recording of the meeting will be published onto the [Council's website](#). The whole of the meeting will be recorded except where there are confidential or exempt items, which may need to be considered in the absence of press and public.

If you wish to attend this meeting, please contact democratic.services@stroud.gov.uk.
This is to ensure adequate seating is available in the Council Chamber.

AGENDA

1. **APOLOGIES**
To receive apologies of absence.
2. **DECLARATIONS OF INTEREST**
To receive declarations of interest.
3. **MINUTES (Pages 3 - 8)**
To approve the Minutes and exempt Minutes of the meetings held on 9 June 2022.
4. **PUBLIC QUESTION TIME**
The Chair of the Committee will answer questions from members of the public submitted in accordance with the Council's procedures.

DEADLINE FOR RECEIPT OF QUESTIONS Noon on Wednesday, 6 July 2022

Questions must be submitted to the Chief Executive, Democratic Services, Ebley Mill, Ebley Wharf, Stroud and can be sent by email to Democratic.services@stroud.gov.uk

5. **MEMBER / OFFICER REPORTS (TO NOTE)**
(a) Fit for the Future Programme Update (Pages 9 - 10)
(b) UK Shared Prosperity Fund (To Follow)
6. **WORK PROGRAMME (Pages 11 - 12)**
To consider the work programme.
7. **MEMBER QUESTIONS**
See Agenda Item 4 for deadlines for submission.
8. **BRIMSCOMBE PORT REDEVELOPMENT (Pages 13 - 98)**
To set out the procurement and decision-making process to select a preferred tenderer from the three prospective tenderers to bring forward the redevelopment of Brimscombe Port, update members on the current position with demolition works, the proposed community centre for the site and with the Homes England Loan Agreement.
9. **LOCAL GOVERNMENT ACT 2000 - EXCLUSION OF PRESS AND PUBLIC THE FOLLOWING REPORT CONTAINS EXEMPT INFORMATION BY VIRTUE OF PARAGRAPH 3 OF PART 1 OF SCHEDULE 12A OF THE LOCAL GOVERNMENT ACT 1972 AND THE FOLLOWING RESOLUTION MAY BE PASSED TO EXCLUDE THE PUBLIC DURING CONSIDERATION OF THIS ITEM:**
PROPOSED: That, pursuant to the provisions of Section 100 (A)(4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the matter detailed at Agenda Item 10 on the grounds that involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.
10. **BRIMSCOMBE PORT REDEVELOPMENT - SELECTION OF PREFERRED BIDDER (To Follow)**
To seek approval to select a preferred tenderer for the redevelopment of Brimscombe Port, who will be appointed as Developer in due course, and to delegate authority to enter into a Development Agreement with the selected tenderer.

Members of Strategy and Resources Committee

Councillor Doina Cornell (Chair)

Councillor Chris Brine
Councillor Gordon Craig
Councillor Stephen Davies
Councillor Trevor Hall
Councillor Nicholas Housden
Councillor Nick Hurst

Councillor Catherine Braun (Vice-Chair)

Councillor Martin Percy
Councillor Keith Pearson
Councillor Mattie Ross
Councillor Ken Tucker
Councillor Chloe Turner



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STRATEGY AND RESOURCES COMMITTEE

09 June 2022

8.55 pm

Council Chamber

Minutes

Membership

Councillor Doina Cornell (Chair)

Councillor Chris Brine
Councillor Gordon Craig
Councillor Trevor Hall
Councillor Nicholas Housden
Councillor Nick Hurst
Councillor Stephen Davies

*= Absent

Councillor Catherine Braun (Vice-Chair)

Councillor Martin Percy
Councillor Keith Pearson
Councillor Mattie Ross
Councillor Ken Tucker
Councillor Chloe Turner

*

Officers in Attendance

Chief Executive
Strategic Director of Resources
Head of Property Services

Regeneration Delivery Lead
Senior Democratic Services & Elections Officer

SRC.085 Declarations of Interest

There were none.

SRC.086 Apologies

An apology for absence was received from Councillor Stephen Davies.

SRC.087 Minutes

RESOLVED That the Minutes of the meetings held on 7 April were approved as a correct record.

SRC.088 Public Question Time

There were none.

SRC.089 STROUD DISTRICT COUNCIL'S BID TO THE GOVERNMENT'S LEVELLING UP FUND (ROUND 2)

The Regeneration Delivery Lead introduced the report and highlighted the following key points:

Agenda Item 3

2021/22

- The paper set out the details of Stroud's bid to Round 2 of the Levelling Up Fund (LUF) which was due by the 6 July 2022.
- The LUF was about infrastructure projects that gave people pride in their local communities including:
 - local transport projects
 - town centre and high street regeneration
 - support for maintaining and expanding the UK's world leading portfolio of cultural and heritage assets.
- The bids would also be assessed on their strategic fit, their economic case and deliverability.
- Paragraph 1.5 included additional criteria.
- The three projects in Stroud had strong narrative, were deliverable and were based on key plans, strategies and reports that had not been able to progress due to lack of funding.
- Much stakeholder engagement had been carried out as part of the approval process for the various strategies.
- Match funding of 10% had been secured from our public and private sector partners.
- Paragraph 2.10 highlighted that the bid was currently at £15.9 million. However, they would need to ensure that there was sufficient contingency included to allow for the current volatile construction market and general inflationary pressure. It was confirmed that the final amount could change before the final bid was submitted.

In response to a question from Councillor Craig it was confirmed that the council would have the opportunity to put in another bid if the current bid was unsuccessful as the Stroud District has two parliamentary constituencies within it.

In response to questions regarding the match funding it was advised that:

- Stroud Town Council were committed to the bid and were providing both funding and support.
- Approximately £1.9m of funding was being received from, Dransfield properties Ltd, County Council, District Council and Stroud Town Council.

Councillor Ross questioned whether the homes that would be developed on the brownfield land would be affordable, low carbon homes. The Regeneration Delivery Lead confirmed that they would be looking for a mixed tenure scheme and that there would be a proportion of affordable homes.

In response to questions from Councillor Hurst the Regeneration Delivery Lead confirmed that one of the factors used to choose the projects for the bid was the deliverability of the scheme and the narrative between the 3 projects.

Councillor Percy questioned when the results of the bid would be announced and whether the bid could be submitted again if it was unsuccessful. It was confirmed that the result would be announced in the Autumn and that the bid could be resubmitted, or they could look at other opportunities to bid for the funding.

In response to questions from Councillor Housden it was confirmed that:

- Parish and Town Councils were contacted asking for a list of projects that they had within their areas

2021/22

- The exact number of responses was unknown but could be provided
- The funding round deadlines were very short so projects needed to be ready and deliverable
- No other schemes submitted from other parish or town councils were viable.

Councillor Brine Proposed and Councillor Braun Seconded.

Councillor Braun thanked Officers for all the work that had gone into preparing the bid within the short timescale. She stated that it would have been better if the LUF bid allowed for greater flexibility in terms of the geographic scope however it had been defined in this way to maximise the benefit to the district and help to ensure the benefit reached a large portion of the population. She further stated that she was particularly pleased to see the environmental implications in the report which identified many benefits.

Councillor Pearson offered his support however questioned the views of the residents who did not live in or near Stroud town centre who may think the projects were too Stroud centric but good communication explaining the reasons why the projects were chosen would help.

Councillor Craig confirmed his support for the LUF bid and stated it was great to have funding come into the District however the challenge would be to convince everyone in the District that the Council was going to continue to bid for funding for other areas.

Councillor Hurst stated that he was torn as to what decision to make because of the inclusion of two projects which he did not wish to support.

Councillor Housden advised that there were approximately 5 months to develop projects from other areas of the District not just Stroud and that despite some good projects e.g. cycling provision, he had concerns that the projects weren't covering the district more widely.

Councillor Cornell stated that it would benefit the District in many ways and that they would be considering other projects that had been put forward and would be identifying other sources of funding.

Councillor Brine advised that the short timescales meant that only projects that were deliverable would be able to be accepted for this bid as Officers and Parish and Town Councils would not have had the time to develop projects in time. He also stated that he hoped the bid would be successful.

On being put to the vote, the Motion was carried unanimously.

RESOLVED To:

- a. Approve the final size and scope of the Council's bid to the Levelling Up Fund, as set out in Appendices A and B;**
- b. Delegate authority to the Strategic Director of Place, in consultation with the Chair and Vice-Chair of this Committee, to finalise and submit the bid by the Government deadline of 6 July, 2022 and enter into the grant agreement if successful.**
- c. Award grants to, and enter into legal agreements with, the delivery partners as set out in Appendix A if the bid is successful.**

SRC.090 LGA CORPORATE PEER CHALLENGE ACTION PLAN

The Chief Executive introduced the report and gave a brief history to the LGA Corporate Peer Challenge (CPC). It was confirmed that in 2019 they gave 8 recommendations and that they had been invited back to assess the progress of the Council, to look at how they had responded to the pandemic and assess the Council Plan, Fit for the Future programme, and Carbon Neutral 2030 strategy. The feedback report had been conveyed to full Council and an action plan had been created following this.

In response to Councillor Braun, it was confirmed that the Town and Parish Council Charter would likely be taken to full Council to be adopted.

Councillor Percy suggested that education needed to be provided in particular for Parish and Town Councils regarding planning policy and enforcement so that they could better understand the process. The Chief Executive stated that they were aware of the need to provide further information to Parish and Town Councils and that the development team were looking into ways of doing this.

Proposed by Councillor Braun and seconded by Councillor Turner.

Councillor Hurst raised concerns regarding the number of meetings Councillors needed to attend and that it was difficult with other commitments. The Chair, Councillor Cornell, confirmed that the Member Development Working Group would be asked to consider the number and format of meetings.

Councillor Ross advised that they had had the last Voids Task and Finish Group, much progress had been made and they needed to get better at celebrating success which could be helped by a communication strategy to show the work completed on voids and congratulate people for the work done.

Councillor Braun stated that many of the actions appeared to be already part of the Fit for the Future programme and that a lot of the actions had short timescales for delivery. She also highlighted the improvements in housing and the Parish and Town council work.

On being put to the vote, the Motion was carried unanimously.

RESOLVED To:

- a. Agree the Action Plan; and**
- b. Note that progress will be reported to future Strategy & Resources Committee meetings.**

SRC.091 Appointment of Performance Monitors

Councillor Pearson advised that he had been a performance monitor for Strategy and Resources Committee since it started and that he would now be stepping down from the role.

The Leader, Councillor Cornell, thanked Councillor Pearson for carrying out the role so diligently over the years.

RESOLVED Councillor Gordon Craig and Councillor Nick Housden were appointed as Performance Monitoring Representatives.

SRC.092 **Member / Officer Reports (To Note)**a) **Performance Management**

Councillor Brine identified the differences between the format of the Community Services and Licensing performance monitoring report and the Strategy and Resources Committee report.

Councillor Cornell asked that a consistency of colours be used throughout the report and asked the committee if there was anything specific they wanted to look at in greater detail.

The Strategic Director of Resources advised that it was the first meeting in which the youth council had been involved and they had spent a long time looking at the report, but they would be able to look at specific items in future meetings and that the Committee would also be able to request that the performance monitors look at certain elements.

b) **Gloucestershire Economic Growth Joint Committee (GEGJC)**

The report had been circulated to Members prior to the meeting. In response to a question from Councillor Braun it was confirmed that an invite had been sent to various Members and Officers for the decarbonisation of transport workshop.

c) **Gloucestershire Economic Growth Scrutiny Committee (GEGSC)**

The report had been circulated to Members prior to the meeting.

d) **Regeneration and Investment Board**

The Chief Executive gave a brief update on the Regeneration and Investment Board confirming that the meeting concentrated on the LUF bid and the UK Shared Prosperity Fund which also had a tight deadline (1st August).

e) **Brimscombe Port Redevelopment**

The report had been circulated to Members and photos were displayed to show the recent changes to the site following demolition. The Head of Property Services confirmed that the contract was due to complete on the 17 June and the Public Right of Way would reopen. An all-Members briefing had been planned for the 22 June.

SRC.093 **Draft Work Programme**

RESOLVED **To note the updates to the Work Programme.**

SRC.094 **Member Questions**

There were none.

SRC.095 **LOCAL GOVERNMENT ACT 2000 - EXCLUSION OF PRESS AND PUBLIC**

Proposed by Councillor Cornell and seconded by Councillor Braun

On being put to the vote, the Motion was carried unanimously.

RESOLVED That, pursuant to the provisions of Section 100 (A)(4) of the Local Government Act 1972, the public be excluded from the meeting during consideration of the matter detailed at Agenda Item 12 on the grounds that involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

SRC.096 ACQUISITION OF LAND, STROUD

The Head of Property Services introduced the report and advised that there was an amendment to the decision box to add the words 'agree terms,' in paragraph i after 'Head of Property Services' to allow further flexibility.

On being put to the vote, the Motion was carried with 8 votes in favour and 3 abstentions.

RECOMMEND That:

- TO COUNCIL**
- I. the Council purchases the site shown at Appendix A to this report for the sum set out in paragraph 6.5 and delegates authority to the Head of Property Services to agree terms, take all necessary steps and undertake necessary procedures, including entering into any legal documents for, and associated with, the purchase of the site as may be required to complete the purchase.
 - II. a budget of £1.535million is added to the Council's Capital Programme for the brownfield site acquisition.

The meeting closed at 8.45 pm

Chair

Fit for the Future Programme Update

Overall, the programme continues to make strong progress with key update points as follows:

- A new HR and Payroll system (iTrent) has been procured and implemented, *in record time*, replacing the legacy system (Zellis). Points to note:
 - Zellis replaced as renewal quote was excessive
 - iTrent costs within budget
 - iTrent system accelerates achievement of strategic objectives
 - May payroll run was successfully processed on iTrent
 - Roll-out of further functions in planning/underway
- Workshop design for embedding new Council values and behaviours complete
- Process re-engineering fully mobilised and underway for cohort 1 which includes:
 - Building Control
 - Customer Services
 - Environmental Health
 - Housing and Contract Services
 - HR
 - Planning and enforcement
- Further cohorts planned to start July and September
- Self-service Bulky Waste process pilot of Digital Platform nearing completion
- Approach to Asset Based Community Development under development
- Significant progress on Cyber defence and response including:
 - PSN Code of Connection accreditation achieved (defence)
 - Procurement/Implementation of new email filtering software (defence)
 - Hardened server security (response)
 - Developed process maps and checklists for Cyber and DR (response)
 - Dry run testing of the Cyber process map started
 - Developing DR test strategy
- Housing Platform procurement decision (preferred vendor) imminent
- Programme communication continues to improve including:
 - Ease of access to Hub pages
 - Champions engaged
 - Revamped and updated Hub pages
 - Screen saver and poster campaigns on Cyber security
- Key challenges include:
 - Resource recruitment
 - Operational priorities impacting progress.

Adrian Blick, Interim Strategic Director of Transformation and Change
 Email: adrian.blick@stroud.gov.uk

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STRATEGY AND RESOURCES COMMITTEE

12 JULY 2022

WORK PROGRAMME

Date	Matter to be considered	Reporting Member/Officer
29 Sept 2022	Budget Monitoring Report Q1	Accountancy Manager
	Corporate Asset Management Strategy	Head of Property Services
	LGA Corporate Peer Challenge Action Plan Progress Report	Chief Executive
	Work Programme	
	Member/Officer Update Reports: a) Performance Management Q1 b) Leadership Gloucestershire c) Gloucestershire Economic Growth Joint Committee (GEGJC) d) Gloucestershire Economic Growth Scrutiny Committee (GEGSC) e) Regeneration & Investment Board f) Retrofit Update g) Brimscombe Port Development h) UK Shared Prosperity Fund	Chair & Chief Executive Chair & Chief Executive Councillor Turner Strategic Director of Place Strategic Director of Place Head of Property Services Strategic Director of Resources
24 Nov 2022	Performance Management Framework Review	Senior Policy and Governance Officer
	Annual Corporate Procurement Update	Senior Policy and Governance Officer
	Canal Strategy Action Plan	Head of Planning Strategy and Economic Development
	Update on the Delivery of the Economic Development Action Plan	Senior Economic Development Specialist
	Member/Officer Update Reports: a) Performance Management Q2 b) Gloucestershire Economic Growth Joint Committee (GEGJC) c) Gloucestershire Economic Growth Scrutiny Committee (GEGSC) d) Regeneration & Investment Board e) Brimscombe Port Development f) Fit for the Future Update g) Canal Update	Chair & Chief Executive Councillor Turner Strategic Director of Place Head of Property Services Strategic Director of Change and Transformation Strategic Director of Place
2 Feb 2023	CIL Spending Allocations	Senior Community Infrastructure Officer
	The Fair Pay and Senior Pay Policy Statement 2022/23	Human Resources Manager
	Council Tax Support Scheme	Revenue and Benefits Manager
	Budget Monitoring Report Q2	Accountancy Manager
	Stroud District Council Capital Strategy	Principal Accountant

Agenda Item 6

	General Fund Budget 2023/24, Capital Programme and Medium-Term Financial Plan	Strategic Director of Resources
	Housing Revenue Account Estimates – Revised 2022/23 and Original 2023/24 and Medium-Term Financial Plan 2022/23 – 2026/27	Accountancy Manager
	Member/Officer Update Reports: a) Gloucestershire Economic Growth Joint Committee (GEGJC) b) Gloucestershire Economic Growth Scrutiny Committee (GEGSC) c) Regeneration & Investment Board d) Fit for the Future Update	Chair & Chief Executive Councillor Turner Strategic Director of Place Strategic Director of Change and Transformation
9 Mar 2023	Update on Public Transport Activities in Year (EC4.2)	Strategic Director of Place
	Skills and Training Update (ER4.4)	HR Manager
	Member/Officer Update Reports: a) Performance Management Q3 b) Gloucestershire Economic Growth Joint Committee (GEGJC) c) Gloucestershire Economic Growth Scrutiny Committee (GEGSC) d) Regeneration & Investment Board e) Brimscombe Port Development f) Fit for the Future Update g) Canal Update	Chair & Chief Executive Councillor Turner Strategic Director of Place Head of Property Services Strategic Director of Change and Transformation Strategic Director of Place
20 Apr 2023	Budget Monitoring Report Q3	Accountancy Manager
	Community Wealth Building Progress	Strategic Director of Place
	Member/Officer Update Reports: a) Gloucestershire Economic Growth Joint Committee (GEGJC) b) Gloucestershire Economic Growth Scrutiny Committee (GEGSC) c) Regeneration & Investment Board d) Brimscombe Port Development	Chair & Chief Executive Councillor Turner Strategic Director of Place Head of Property Services

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

TUESDAY, 12 JULY 2022

Report Title	Brimscombe Port Redevelopment
Purpose of Report	To set out the procurement and decision-making process to select a preferred tenderer from the three prospective tenderers to bring forward the redevelopment of Brimscombe Port, update members on the current position with demolition works, the proposed community centre for the site and with the Homes England Loan Agreement.
Decision(s)	<p>Strategy and Resources Committee RESOLVES to:</p> <ol style="list-style-type: none"> 1) Delegate authority to the Head of Property Services to agree amendments to the Homes England Funding Agreement in consultation with the Strategic Director of Resources and the Chair and Vice-Chair of this Committee. 2) support Brimscombe and Thrupp Parish Council's continuing work with regard to the delivery of a community centre within the site. 3) note the completion of the competitive dialogue stage, (by the procurement team) of the previously approved procurement process to select a preferred tenderer for this site. 4) approve the draft Heads of Terms for the Development Agreement at Appendix F to this report 5) Welcome and support the next steps and the start of the developer's public engagement programme set out in paragraph 8.0.
Consultation and Feedback	Discussions with regard to the Community Facility have been ongoing and Brimscombe and Thrupp Parish Council recently joined the consultation event in November 2021 to seek views on this. The consultation and community engagement plan on the redevelopment of the wider site will intensify once a preferred tenderer is selected and a plan will be agreed with the local community and Parish Council.
Report Author	<p>Alison Fisk, Head of Property Services Tel: 01453 766321 email: alison.fisk@stroud.gov.uk</p> <p>Celeste Dauncey, Project Manager Brimscombe Port Tel: 01453 766321 email: celeste.dauncey@stroud.gov.uk</p>

Agenda Item 8

Options	Amendments to the Homes England Loan Agreement and/or the Development Agreement could be brought back to Committee, which will delay the appointment of a developer as Homes England will not approve the Council entering into a Development Agreement, whilst the Loan Agreement is in default (since the key milestones have passed). It is expected that these matters can be resolved, in order for the developer to be appointed before the next meeting of Strategy and Resources Committee.			
Background Papers	None			
Appendices	Appendix A - Previous S&R Committee Approvals Schedule (Procurement) Appendix B - Members Information sheets schedule Appendix C - Output Specification Appendix D - Tender Evaluation Matrix Appendix E - Tender Report Template Appendix F - Procurement Process Flow Chart Appendix G - Draft Heads of Terms: Development Agreement			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	Yes	Yes	No	Yes

1. INTRODUCTION

- 1.1 One of the Council's key priorities in the Council Plan is the redevelopment of Brimscombe Port, the destination at the eastern end of the canal; with a vision to deliver a sustainable new residential-led mixed use community that meets the needs of both existing and future residents.
- 1.2 The redevelopment of the Port has been the subject of various reports to this Committee over the last few years, as the Council has proceeded to de-risk the site to deliver a viable opportunity to the market and maximise the interest from potential partners.
- 1.3 At its meeting in March last year the Committee delegated authority to commence the procurement of a developer partner for the Port using the competitive dialogue process with the final selection of the partner to be presented to Committee for approval at the completion of the process.
- 1.4 That point has now been reached, and this report sets out:
 - the procurement process that has been undertaken and the key documents approved as part of this process (Section 2)
 - how the recommended preferred bidder will be presented to Committee (in the associated confidential report to this meeting) Section 3
 - updates on the redevelopment programme, next steps and community engagement (Section 8)
 - and updates on:
 - the position with the community facilities proposed for the site (Section 4)
 - the Homes England Loan Agreement (Section 5)
 - the Draft Development Agreement (Section 6)

2. THE PROCUREMENT PROCESS:

- 2.1 **Previous Committee Approvals:** Over the last four years, members of the Strategy and Resources Committee have approved the approach to the delivery of the project and the key documentation for the tender process, as set out in Appendix A, including key procurement documents, in particular the Output Specification and Tender Evaluation Matrix i.e. what the Council and key stakeholders wish to see delivered on the site and how bids will be scored against these outputs.
- 2.2 Regular information sheets and Member/Officer reports have also provided updates and information on the project in-between Committee decisions (see Appendix B).
- 2.3 **Key Documents: Output Specification.** This was approved by Strategy and Resources Committee at its meeting on the 11th of July 2019. This document sets out the Council's vision for the redevelopment of the Port and its aspirations and objectives with regard to design, site and developer partner requirements and provides information about the site and its existing condition.
- 2.4 The document is a result of all the feedback received by the Council following its public consultation event in December 2018 and following extensive consultation with key stakeholders including the Parish Council, Stroud Valleys Canal Company and Homes England and a wide range of officers and members from across the Council. A draft Output Specification was also uploaded to the Stroud District Council website for public comment to gain feedback and input from members of the public and local community prior to its approval. A copy of the Output Specification is contained in Appendix C.
- 2.5 **Tender Evaluation Matrix:** This sets out the criteria linked directly to the Output Specification that the bidders need to respond to and the score and weighting given to each (see Appendix D). It was developed by Gleeds and officers with input from the Project Board and Investment and Development Panel (now the Regeneration and Investment Board) prior to being approved by the Strategy and Resources Committee.
- 2.6 All these key reports and procurement documents can be found on the Council's website at: <https://www.stroud.gov.uk/environment/our-vision-for-brimscombe-port>
- 2.7 **Competitive Dialogue:** The procurement process for the selection of a Developer for Brimscombe Port has followed the OJEU compliant competitive dialogue route. Competitive dialogue is a public-sector tendering option that allows for bidders to develop alternative proposals in response to a client's outline requirements, where the outcome hasn't been predetermined or designed. The aims are to increase value by encouraging innovation and to maintain competitive pressure in bidding for complex contracts and sites.
- 2.8 The rules for the process are set out in the Public Contracts Regulations 2015 and need to be adhered to closely as any divergence could leave the Council open to legal challenge, which can be very expensive and time consuming to respond to. The process must adhere to the core principles of fairness, transparency, non-discrimination and proportionality.
- 2.9 The process followed by the council is set out in the diagram contained in Appendix E.

Agenda Item 8

- 2.10 The shortlisting process was undertaken utilising the PAS 91 construction specific Selection Questionnaire (SQ), as approved by Members at the meeting of Strategy and Resources Committee on 17 December 2019, in order to shortlist potential bidders. SQ submissions were received from six applicants which were scored and moderated by officers and the Council's advisors.
- 2.11 This resulted in 3 tenderers being invited to participate in the competitive dialogue process and dialogue sessions were held separately with each of the tenderers, along with SDC's Procurement Consultant; Gleeds, Legal Advisors; K&L Gates, and officers with the appropriate knowledge and skill sets to enable the tenderers to develop their proposals in line with the Output Specification.
- 2.12 Topics covered within these sessions included design, affordable housing, community facility, public realm, commercial offering and sustainability amongst others and clarifications were issued to all tenderers as necessary to support the development of compliant bids. Once proposals had been developed to sufficient detail, and the procurement team (set out in paragraph 2.10 above) were satisfied that the bids were likely to be compliant, the tenderers were invited to submit final bids on 13 May 2022, by providing responses to the Council's tender evaluation criteria.
- 2.13 Final tenders were received on 10 June 2022, and following a compliance check, the submissions were scored against the tender evaluation matrix by Gleeds, K&L Gates and council officers. Each question was scored objectively against the set criteria by the specialists in that area in order that the final decision is clearly justifiable.
- 2.14 Moderation of the scoring was undertaken following individual evaluations to ensure a fair and balanced approach. The moderator from Gleeds was not involved in the dialogue sessions and did not look at the submissions prior to the moderation discussions to provide impartiality to the process.
- 2.15 A copy of the tender report template, (which has been populated and completed with the confidential scores and associated information in the confidential report to this Committee) is shown in Appendix F.

3. Approval of the preferred bidder

- 3.1 **Confidentiality – Risks and Reasons.** There are several risks associated with revealing the identity of the preferred bidder prior to contract award and legal and commercial reasons as to why it needs to remain confidential, with committee members approving the selection in closed session. These are summarised as follows:
- Tenderers will know where we are before a decision has been made and could try to lobby and influence the decision
 - It protects Members from allegations of breaches of confidentiality
 - It further reduces the opportunity for collusion between tenderers
 - To maintain commercial confidentiality of the tenderers' bids
 - Which in turn maintains the value for money aspect of the procurement (the key reason for competitive dialogue) ensuring all bidders remain in the process and maintain a competitive approach and mind-set

The whole process can be open to challenge if it is not seen to be run in accordance with the procurement rules and there is any leakage of information about individual bidder's

proposals. This could lead to delays in the programme or the whole process having to be re-run and/or may result in financial claims against the council

- 3.2 The procedure for this meeting will be explained in the public session to this meeting and members will be asked to vote to exclude the public in order to consider the confidential report which recommends the preferred bidder. Assuming members support this, the report will be issued during the closed session of the meeting. The confidential report will be short and straightforward, setting out a recommendation to select a Tenderer – the preferred bidder.
- 3.3 An appendix to the confidential report will contain a copy of the completed Tender Evaluation Report and the preferred bidder's proposed scheme and design only, will be displayed for members to consider.
- 3.4 **The decision for members will be whether to approve the selection of the preferred bidder or not, based on the tender evaluation report and the scheme designs. The scoring process and evaluation cannot be altered.**
- 3.5 It is important to note that the subsequent appointment will be subject to Homes England's approval, as this is required before the Development Agreement can be entered into.

4. The Community Facility

- 4.1 The output specification for the site requires the developer to provide community facilities, based on an initial specification provided by the Parish Council. The developers' proposed solutions have formed part of the evaluation of their bids.
- 4.2 This is a key output for the development and a site by the reinstated canal basin has been earmarked for a new community building.
- 4.3 The council agreed to give the land /space required for this facility to the Parish for £1, but the facility is expected to be paid for, owned, managed and maintained into the future by the Parish Council, due to the higher infrastructure costs that have to be met to bring forward the Port site and the public investment already committed to deliver this. These requirements are also set out in the draft development agreement (see draft Heads of Terms at Appendix G).
- 4.4 The committee was advised in December 2019, that the Parish remained concerned at the potential cost and ongoing viability of the type of facility that had originally been envisaged and couldn't go ahead as planned. Officers have continued to meet with the Parish and offer support and at the most recent meeting in May 2022, the Parish's working group confirmed they were looking at different levels of outcome specifications so that there is something ready to discuss with a developer once their selection has been communicated and different costs for 3 options can be estimated. There could also be a phased approach to delivering this facility which could grow as the community's needs change and grow with the redevelopment and over time.
- 4.5 Officers have offered additional support with the business planning for a facility through the council's Service Level Agreement with the Gloucestershire Rural Community Council. The working group is currently putting together a specification document and this will be shared with the Council shortly, once approved by the Parish Council.

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5. Homes England Funding Agreement.

- 5.1 As part of the public investment into the project following viability assessments carried out in 2013, and again in 2015, which identified a funding gap due to the abnormally high infrastructure costs associated with the development, the Council were successful with a bid for a £2million loan from Homes England. A funding agreement was drawn up and entered into with Homes England which set out key milestones and long stop dates for the project.
- 5.2 A change request was submitted to Homes England principally to alter the project definition in the Agreement (removing the new bridge, river canal crossover infrastructure works due to the high costs of delivering these) and changing the key milestone dates. The proposed revisions were agreed by Homes England in September 2020, with the addition of the following clauses:
- a) *Homes England to provide support to Stroud District Council on the tender process for the essential infrastructure to ensure value for money and the best opportunity for future repayment of the principal sum and any overage.*
 - b) *Homes England to engage in the developer procurement process being run by Stroud District Council to maximise the potential commercial return from the development and therefore securing repayment of the principal sum and any overage.*
 - c) *Introduce an obligation within the Funding Agreement for Stroud District Council to secure best consideration for the site recognising bids will need to be compliant with planning policy and based on deliverable schemes.*

This was reported to Committee in March 2021.

- 5.3 The legal documentation failed to progress during the pandemic and the opportunity to review the repayment provisions as part of amendments to the Agreement has been taken. A further change request is being negotiated to change the repayment terms of the loan as the first instalment of £250,000 is due on procurement of a Developer, or at the end of the loan agreement. It has been considered extremely unlikely that the site will produce this level of receipt as more detailed work has been completed on the infrastructure design.
- 5.4 However, the Port Mill building is not included with the redevelopment site and will be retained by the council, albeit with Homes England still holding a charge over it. It has been proposed that the council pays any surplus income to Homes England to repay its investment up to a long stop date.
- 5.5 Once changes to the funding agreement have been agreed with updated repayment terms, Homes England, as funding partner, will then be able to agree to the finalised Development Agreement. The proposed amendments to the funding agreement are due to be reported to Homes England Board for approval on 31 August 2022, with the additional evidence from the results of the current procurement exercise as regards the value of the site, supporting the recommendation.

6. **Development Agreement**

- 6.1 In September 2021 a members information sheet on the redevelopment confirmed that: 'Legal Advisors for the procurement of a developer partner have been appointed and are drafting the Development Agreement and associated documents which will reduce clarifications during the procurement process. Whilst this means more time is being taken at this point in the process it will lead to a shortening of timescales further on, keeping the programme on track overall'.
- 6.2 The draft Heads of Terms that form the basis of the draft Development Agreement are set out in Appendix G. As part of the procurement process bidders have been asked to return a high-level mark up of this draft to establish whether there are any significant areas of concern that the Council should be aware of. The response from the preferred developer will be commented on in the confidential report to this meeting.
- 6.3 In order to maintain momentum with the project it will be important to enter into the Development Agreement as soon as Homes England's approval is received, and the funding agreement changes have also been agreed. Delegated authority is therefore being sought for this in the confidential report to this Committee, noting that the Development Agreement will be conditional on a satisfactory planning permission being achieved by the developer.

7. **Redevelopment Programme Update**

- 7.1 **Demolition works** at Brimscombe Port completed on 17 June 2022, with site cabins leaving site on 20 June 2022. All buildings on both the industrial and business sides have been demolished to slab level. Part of the back wall to Unit 3 and part of the river facing wall to the Port House have been left in-situ to provide safety and security to the site.
- 7.2 98.5% of the material by tonnage overall from the demolition works was recycled or reused:
- 1960m³ Hardcore (class 6F2) for reuse on site
 - 460 tonnes of steel and light iron recycled
 - Staircases salvaged to be sold and reused in buildings
 - 24 tonne bags of Cotswold stone salvaged for reuse
 - Over 75 tonnes of timber sent for recycling/shredding
- 7.3 The crushed hardcore (6F2) remaining on site has been retained for reuse by the Developer for the redevelopment to assist in the requirement to raise site levels to take the site out of the flood plain. This reduces vehicular movements from both the demolition works that have been carried out and the future construction works.
- 7.4 **Budget position**
- 7.5 The financial receipt/cost to the Council of the preferred bid is set out in the confidential report to this Committee. This may be subject to change as the planning application progresses.
- 7.6 The funding committed to the development costs was set at £3.526m to provide certainty to bidders. Further surplus income from the site from 2022/23 onwards is expected to offset the forecast shortfall (£222k) in the budget, as the letting of the refurbished Mill buildings continued and it is now almost fully let.

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- 7.7 Any capital receipt and surplus income is due to repay the £2m loan from Homes England. The table below summarises the current financial position for the redevelopment

Table 2: Project Budget

Funding Source	Funding £000's	Expenditure to 2022/23 £000's
SDC Capital	(2,600)	
Homes England Loan	(2,000)	
LRF	(776)	
SDC revenue to end of 2021/22 (income from the site)	(397)	
Total funding to 2021/22	(5,773)	
Funding committed to developer		3,526
Forecast expenditure		2,469
		5,995
Forecast shortfall		222

8. Next Steps

- 8.1 If the preferred bidder is selected at this meeting, the preferred bidder status will be conveyed to the Developer and the two unsuccessful bidders, initiating the 10-day standstill period, which provides a pause between the point when the contract decision is notified to the bidders, and the declaration of intent to appoint is issued, during which time other bidders can challenge the decision. This is a legal requirement imposed through the Remedies Directives and it is still important to maintain confidentiality through this period.
- 8.2 Following the 10-day standstill period, which will end at close of business on 25 July 2022, a declaration of intent will be entered into with the preferred developer and finalisation of the Development Agreement will commence. The identity of the Developer can then be shared on 26 July 2022. The identity of the unsuccessful tenderers/developers will not be revealed due to commercial sensitivity unless they give their permission as this could affect their market image and financial positioning.
- 8.3 An introduction meeting with all members is proposed after the standstill period and the developer will also meet with Brimscombe and Thrupp Parish Council (week commencing 1 August 2022) to build on previous discussions between Stroud District Council and the Parish Council regarding the community facility and begin setting more definitive solutions.
- 8.4 This programme, assuming the preferred bidder is approved is set out below:

Table 2 – Next Steps Programme

Date	Action	Details
Tues 12th July	Public Report and Confidential Report and Appendices	S&R Committee
Wed 13th July	Issue contract decision	Decision embargoed
Wed 13th July to Mon 25th July	10-day standstill period	
Tues 26th July	If no challenges submitted - Declaration of intent entered into with Developer and Finalisation of Development Agreement commences	Press release & update website Developer name can be made public
Wed 27th July/ Thurs 28th July (Provisional)	All Members meet Developer (in person/virtual to be agreed)	
W/C 1st Aug (Provisional)	Parish Council meet Developer in person	
W/C 8th Aug (Provisional)	Developer introduction/presentation to public in person	
Wed 31st Aug	Homes England approval	
w/c 5th Sept	Enter into Development Agreement	

8.5 **Public Engagement:** A developer introduction/presentation will be arranged and publicised for the week commencing the 8th of August 2022, after the meetings with members and the Parish Council. This will be the first of several community engagement events with the Developer. A community engagement plan will then be agreed with input from the local community and the council, and the feedback and suggestions already received from the local community will be shared with the developer. More public consultation will take place prior to a planning submission to enable the community views to be input into and help shape the process. Members of the community will of course be able to input into the planning process in the usual way.

9. CONCLUSION

9.1 The Council is now at a critical point of this exciting project after many years of hard work and investment. If a developer is selected for appointment at tonight's meeting, the legal

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documentation required can be progressed and the developer can share the detail of their proposals and programme with the council, key stakeholders and the wider community.

- 9.2 It is, therefore recommended that the Committee approves the delegation set out in this report to enable the Homes England Funding Agreement to be amended, to ensure that this supports the continuing progress of the regeneration of this important brownfield site enabling the council to deliver the outputs and the vision that has been drawn together with the support of all the key stakeholders and local community.

10. IMPLICATIONS

10.1 Financial Implications

Table 2 at Para 7.7 sets out the financial contribution that the Council has made to the development. The Output Specification and Development agreement are clear that this is the limit of the Council financial contribution to the project. Although the table shows a current shortfall in the funds expected to make the set level of financial contribution, it is expected that surpluses from rental income at the mill building from 2021/22, and future years, will be used to make up the total with no wider impact on Council budgets. If Homes England agree to changes in the repayment provisions of the loan, as set out in the report, it will resolve a key area of financial risk to the project and the Council.

Andrew Cummings, Strategic Director of Resources

Tel: 01453 754115 Email: andrew.cummings@stroud.gov.uk

10.2 Legal Implications

The following bullet points set out details of significant implications identified by officers:

- a) Gleeds, as procurement consultant, has confirmed that the procurement process for the Brimscombe Port development has been run in compliance with the procurement legislation, regulations and the previously authorised process. By means of the now concluded procurement process, the prospective tenderers have been narrowed to the three bids presented to you at this committee meeting following thorough evaluation and moderation.
- b) Pending the decision by the Strategy and Resources Committee at this meeting based on the evidence and scoring of the prospective tenderers' presented bids, one tenderer from these three bids shall be selected as the preferred tenderer for the Brimscombe Port development project.
- c) Following the Committee's selection of the preferred tenderer, the procurement consultants will issue a letter to all three tenderers identifying the preferred tenderer and commencing a 10-day standstill period in compliance with the Public Contract Regulations 2015 and the Remedies Directive. During this time the identity of the preferred tenderer must remain confidential to all parties not involved in this process, and the two unsuccessful tenderers will have the opportunity to challenge the Committee's decision should they so choose.
- d) Provided that no challenge to the selection of the preferred tenderer has been submitted during the standstill period, once the standstill period has concluded the Council will proceed to issue a declaration of intent to appoint the selected preferred tenderer as the Developer in due course. Following this announcement, the Council

will proceed to finalise the terms of the Development Agreement with the Developer, and to finalise the terms of the funding agreement with Homes England regarding the development grant. Following the agreement of terms in both documents, the Council will appoint the preferred tenderer as the Developer and will enter into the Development Agreement along with any necessary ancillary documents thereto.

Matthew Powell, Senior Associate, K&L Gates LLP

10.2 **Equality Implications**

An EIA is not required because there are not any specific changes to service delivery proposed within this decision.

10.3 **Environmental Implications**

The report above sets out details of implications with regard to the recycling and reuse of materials in respect of the demolition works in paragraphs 7.2 and 7.3.

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**APPENDIX A: PREVIOUS STRATEGY AND RESOURCES COMMITTEE APPROVALS
(PROCUREMENT)**

12 April 2018

- Approved a further allocation of capital funding of £1.6 m towards the infrastructure costs to give developers confidence in bidding to redevelop the site.
- Agreement to continue with the redevelopment of the Port and deliver the outputs of a canal, basin, homes, jobs and a community centre by obtaining planning permission for all of the infrastructure, including the road and bridge works, but at this stage to fund the infrastructure for the Port only (Phase 1).

4 October 2018

- Approved the delivery strategy for the redevelopment of Brimscombe Port by means of seeking a development partner/s subject to a further report to Committee.
- Authorised the submission of a detailed planning application for the infrastructure for phase 1 and 2 of the redevelopment of the Port (Submitted 12 July 2019).
- Delegated authority to agree amended terms for the £2m loan from Homes England (proposed revisions agreed by Homes England in September 2020)

11 July 2019

- Approved the Output Specification (sets out our vision for the site), the Value for Money Protocol and the Commercial Principles Paper for the procurement of a development partner.
- Delegated authority given to make minor amendments to these documents prior to finalising the documents for the launch of the procurement process.

17 December 2019

- Approved the Supplier Questionnaire (SQ) questions and the Tender Evaluation Matrix.
- Delegated authority to make minor amendments to these documents.
- Approved the procurement of a contractor for the infrastructure for phase 1 of the project and to transfer the package over to the development partner to coordinate, manage and deliver.

4 March 2021

- Delegated authority given to commence procurement of a developer using competitive dialogue procedure.
- Proceed with demolition of buildings prior to a partner being selected.
- Enter into grant terms and conditions etc in respect of the Land Release Fund (which was subsequently awarded to the Council).
- Note the agreed amendments to the funding conditions with Homes England

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APPENDIX B: MEMBERS INFORMATION SHEETS SCHEDULE

Date	Information
April 2019	<p>Flood modelling/infrastructure design – phase 1 submitted to EA, phase 2 to be submitted following remodel. Design solution to take site out of flood plain for phase 1 and 2 scenario.</p> <p>Planning Application – to proceed with detailed planning application for the infrastructure only and leave a planning application for the redevelopment of the site until Developer appointed. Bat survey required for planning submission.</p> <p>Key Stakeholders – Parish Council progressing with community centre and are developing a brief. Heads of Terms for transfer of land from SVCC to the Council have been approved by SVCC’s board, solicitors progressing the sale with aim of completing transfer by end June 2019.</p> <p>Procurement – Further session with Investment and Development Panel meeting in May to present proposed evaluation criteria, questions and weighting and other tender documents. Programme for procurement phase and key milestones updated.</p>
June 2019	<p>Flood Modelling/Infrastructure Design – modelling works for all phases submitted to Environment Agency for approval. Planning application for infrastructure to be submitted by end of June 2019.</p> <p>Procurement – I&DP in May 2019 considered output specification, commercial principles paper and value for money protocol together with timetable for consultation and approvals of tender documentation. Further soft market testing planned beginning September 2019. Further papers to be considered by I&DP in September with final approval to proceed with procurement of Developer expected to be presented to Committee October 2019.</p> <p>Key Stakeholders – Further meetings with Parish Council. Legal process continuing for transfer of land from SVCC to the Council and funding agreement with Homes England.</p>
Sept 2019	<p>Flood Modelling/Infrastructure Design - planning application submitted 12th July 2019 for demolition of industrial buildings and Port House and necessary infrastructure for the redevelopment of the Port.</p> <p>Key Stakeholders – Further meetings with Parish Council. Legal process continuing for transfer of the land from SVCC to the Council and funding agreement with Homes England.</p> <p>Procurement – July 2019 S&R Committee approved output spec, commercial principles paper and value for money protocol. Financial appraisal being updated. Further soft market testing taking place during September to assess market appetite for project.</p>
Jan 2020	<p>Planning - Environmental Statement for planning being finalised, to be sent out for consultation once received. Once all relevant information supplied, report will be prepared for next available Development Control committee.</p>

APPENDIX B: MEMBERS INFORMATION SHEETS SCHEDULE

	<p>Transfer of Brimscombe Port – Documentation agreed for transfer of Brimscombe Port – SVCC & the Council ready to complete transfer, waiting for Homes England formal internal approval in order to complete.</p> <p>Procurement – December 2019 S&R Committee approved questions for Supplier Questionnaire and the Tender Evaluation Matrix for the selection of Developer. Procurement cannot commence until planning permission received. Anticipated report to seek approval to the procurement process June 2019 S&R Committee.</p>
Sept 2020	<p>Planning – Application delayed due to hold ups with responses from third party consultees.</p> <p>Transfer of Brimscombe Port and Funding Agreement with Homes England – Transfer of the Port from SVCC to the Council took place on 1 April 2020. Changes to milestones for the funding agreement with Homes England have been agreed and approved by the Homes England Project Executive on 9 September 2020.</p> <p>Procurement – Date for report to be presented to S&R Committee to seek formal approval to the procurement process for selection of a developer partner move to December at earliest due to delays with planning.</p> <p>Project Board – draft Communication Strategy presented.</p> <p>Tenancy Management - aim is to enable them to stay as long as possible but also to enable notice to be served at the appropriate time to give the Council vacant possession to demolish the properties when required.</p> <p>Council being encouraged to submit a One Public Estate Land Release Fund (LRF) bid for the infrastructure works. Bids to be submitted by 12 November 2020.</p>
Dec 2020	<p>Funding – bid to One Public Estate Programme for Land Release Funding was submitted in early November, outcome expected January/February 2021.</p> <p>Planning – Formal responses expected in next few weeks.</p> <p>Programme – changes to milestones for funding agreement with Homes England agreed and approved by Homes England. Key milestones for funding.</p> <p>Tenancy Management – leases structured so that vacant possession achievable from between December 2020 until end March 2021.</p> <p>Communication – FAQs being prepared and will be published on Council’s website.</p>
Sept 2021	<p>Tenancies update and continuing support – RUSH closed for business and moving out. In discussions with The Grace Network regarding transition plans and terms agreed for lease of a ground floor office suite at Brimscombe Port Mill.</p> <p>Demolition contract – 29 Tenders received for with competitive pricing. Contract expected to start mid-October.</p>

APPENDIX B: MEMBERS INFORMATION SHEETS SCHEDULE

	<p>Project progress/next steps – Legal Advisors appointed for procurement of Developer. Marketing of development opportunity started with video launched. Procurement of developer expected to start October 2021.</p> <p>Community Engagement – Project team met with Parish Council to work together on future events. Leaflet drop taking place early October 2021.</p> <p>Moorings and craneage – Note from SVCC explaining why craning and moorings included and how they will operate.</p>
Nov 2021	<p>Demolition Contract – Haywood Crushing Demolition appointed and started demolition October 2021.</p> <p>Procurement of a Developer – Process to procure Developer launched October 2021. Contracts Notice issued.</p> <p>Community Engagement & Comms Plan – Leaflet delivered to every household within Brimscombe and Thrupp Parish and small area of Minchinhampton Parish containing information on drop-in session in November 2021 at The Ship Inn, Brimscombe. Further meetings with the Parish Council.</p>
Jan 2022	<p>Demolition Contract – Asbestos update. Flood risk activity permit from the Environment Agency underway.</p> <p>Procurement of a Developer – Encouraging number of interested parties expressed interest by completing Selection Questionnaire. Submissions being evaluated. Short listed bidders will be taken through the dialogue process, due to complete by June 2022 subject to suitable bids being submitted.</p> <p>Community Engagement & Comms Plan -</p>

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Stroud District Council

OUTPUT SPECIFICATION

FOR

BRIMSCOMBE PORT

October 2021

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1.0 Document Status

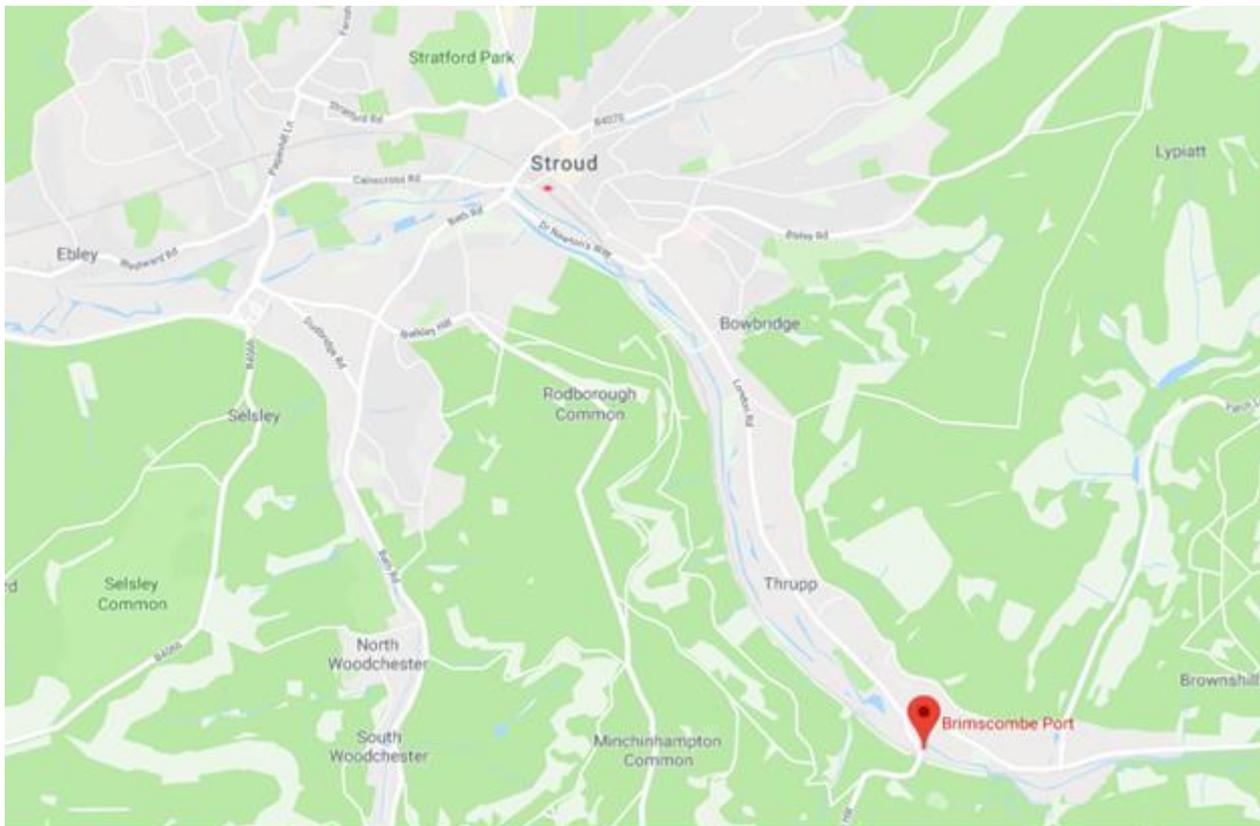
This Output Specification (hereafter “OS”) has been drafted to support the procurement of a Developer for the Brimscombe Port development in Stroud. This document sets out the Councils requirements for the new Brimscombe Port development, which will be used as a baseline for all Competitive Dialogue discussions.

2.0 The Site

2.1.1 Site Location

The site is located at:

Brimscombe Port
Brimscombe Hill
Brimscombe
Stroud
GL5 2QG



2.1.2 Site History

Historically Brimscombe Port was an inland port, created to transfer goods from large sea going Severn Trows to Thames barges to navigate the narrower canal to the east. This link was promoted by local clothiers as well as London merchants to link with the Midlands. The Stroudwater Canal was finished in 1779 and the Thames and Severn Canal a decade later in 1789. Amazingly for that era the Port was capable of handling 100 vessels at a time.

Following the decline in canals the Port became redundant. The canal was in-filled after the Second World War and the site developed as an industrial estate during the 1960/70's.

Some historic buildings survive, including the Salt Warehouse and the Port Mill. Both are listed and charming stone buildings. Much of the site is open with concrete hard standings and a few modern industrial buildings from the 1960s and 70s which are no-longer fit for purpose.

2.1.3 Site Context

This site has a spectacular setting. It is surrounded by verdant hills which rise steeply up to the Cotswold plateau. The site is in a valley formed by the River Frome which runs beside the canal. Views are dramatic from the hills down into the site and along the valley.

The hills to the north and south define the edge of the Cotswold AONB.

The site is within the Industrial Heritage Conservation Area (IHCA), one of the biggest in the country. Commenting on the scope of the Conservation Area, a 1986 report by URBED concluded "nowhere else in the country were there so many mills from such an early period, surviving in a relatively complete condition. It is a microcosm of history from early 13th century cloth making to pre-industrial revolution into Victorian expansion and ongoing evolution in the modern era".

2.1.4 Development Objectives

The vision for Brimscombe Port is to deliver a sustainable new residential-led mixed use community that meets the needs of both existing and future residents. By responding to the site's unique characteristics with innovative and inspiring design; the Council aspires to see the delivery of an exemplar scheme that integrates with the existing surroundings and improves and expands upon the site's opportunities to enhance daily life for occupiers and visitors alike.

The six objectives for the site are to:

1. Create a distinctive and memorable place, appropriate to its context and history with a strong character and identity;
2. Build sustainable, energy efficient buildings and low impact development that minimises harm to the environment;
3. Create a vibrant and inclusive community that provides for a range of ages, affordability and demographics;
4. Create and integrate landscape comprehensively, enhancing biodiversity and creating new habitats that bring nature into the site;
5. Encourage wellness and healthy lifestyles through the new open spaces and enhance existing routes to increase the recreational uses in the area and commutable travel routes across the site;
6. Create a financially sustainable canal to ensure the ongoing quality of the waterside setting.

The impact of this site cannot be underestimated in terms of its importance to the whole redevelopment of the valley, and the economic and strategic benefits to the area, acting as a catalyst for other development along the canal. It creates a destination for canal tourism, not only for the local canal network but also for the whole canal system, a nationally important landmark destination.

*BRIMSCOMBE PORT WILL BE AN EXEMPLAR AND SUSTAINABLE
NEW COMMUNITY FULLY INTEGRATED WITH THE EXISTING SURROUNDINGS*

3.0 Overview of Requirements

The Brimscombe Port development will be required to produce the following key deliverables;

- Reinstatement of the canal and associated infrastructure including the port basin, the towpath, site remediation and flood alleviation. The canal will act as a pull for tourism and provide a visitor destination. Provision will be made for canal moorings.
- Provision of a high density mix of residential units that will address the current overall housing need which is predominantly for 1, 2 and 3 bedroom dwellings, with 30% affordable, and provision of planning compliant car parking.
- The Council (SDC) will have a right of first refusal in respect of the affordable units.
- The Council intends to develop a mechanism for the number of affordable homes to be delivered prior to sale of private homes in phases.
- Provision of new community facilities, the form and scale of which are to be determined but which are to include a community meeting space and other spaces which are capable of being let.
- Provision of commercial/retail units/offices to provide a 'mixed use' element.
- New site access/egress points.
- Public realm for residents and visitors.
- Compliance with Building for Life 12 and Building with Nature

Developers must set out their financial offer and proposed overage mechanism.

The council requires the development to be delivered to its funding partners' key milestones set out in the Heads of Terms for the Development Agreement

3.1 Development Deliverables

Responsibilities Matrix

Organisation	Role	Stage / Package
SVCC	Key Stakeholder	Canal Works
SDC	Client	All
Developer	Developer	Stages 2 and 3
Demolition Contractor	Contractor	Stage 1
Infrastructure Contractor	Developer	Stage 2
Parish Council	Client	Community Space
Homes England and One Public Estate (LGA and Cabinet Office)	Funder	Stages 1 and 2

3.1.1 Canal and Associated Infrastructure Works

3.1.1.1 Council Canal and Infrastructure Objectives

The canal is at the centre of the Brimscombe Port development; its reinstatement enables developers an opportunity to create a unique waterside setting for the local community and deliver profitable, quality development. Furthermore, the aspiration is that this development will create a tourist destination in the District, attracting a diverse demographic to visit the site and experience Brimscombe Port.

It is planned that the route of the canal and basin will be handed back to Stroud Valleys Canal Company (SVCC) at completion of the development and it will own, manage and maintain the canal through income from moorings and surface water discharge fees. Consequently, the last circa 25% to 40% of the private for sale units (and any to let space) cannot be disposed for money or monies worth until the Canal Works have achieved PC. If the Developer can produce a guarantee or deposit or retention, then this will be considered.

3.1.1.2 Council Canal and Infrastructure Requirements

The canal, basin, flood management and site access have been designed by Atkins, with planning approval received on 24 March 2021. The Brimscombe Port development must be designed in accordance with the Atkin's canal and infrastructure design and the associated planning approval and conditions. The design of Phase 1 incorporates extensive flood alleviation measures to take the site out of the flood plain and meets the requirements of SVCC in terms of the number of moorings, a basin of sufficient size to moor boats and allow passage of other vessels to pass, as well as a turning area suitable for the maximum width and length boats.

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Appendix C

The new access road has been designed and an area identified on the site to allow a temporary crane to enter the site to enable boats to be lifted into the basin.

Please refer to Appendix A and B for the associated drawings.

Developers must note that the planning approval is for all of the canal infrastructure up to Gough's Orchard lock and the works are split into two phases with phase 1 being the subject of this procurement exercise and as detailed at Appendix A. The developer only has to provide Phase 1 of the works as part of this project. The second phase works takes the canal and river under Brimscombe Hill and takes the route up to Gough's Orchard lock as detailed at Appendix B. Phase 2 is a stand-alone project and is currently unfunded.

The canal, and associated infrastructure works, required in this development have been summarised below:

- Preparation of the site including any remaining demolition and site clearance
- Excavation for the new canal and basin, material disposal, construction of new canal walls and towpath.
- Excavation for the new river channel, construction of new river bed and walls and infill the old channel.
- Provide drainage including sewer diversion (S185 application will be made by Atkins on behalf of SDC), drainage connections and provision for future surface and foul water drainage.
- Earthworks associated with site clearance, excavated material, disposal, site raising and reclamation.
- Part excavation of the canal channel to Gough's Orchard Lock (future licence will be granted by SVCC as land owner for this work).
- Provide site access from the A419.
- Provision will be made for canal moorings. The Developer will provide not less than 25 moorings, split between; 7 residential and 18 permanent and/or visitor classes of mooring. Not less than 8 of the 25 moorings will be finger moorings located in the basin with mooring rings and bollards. The detailed specification will follow, but the Developer is to include lighting, electricity/potable water/foul water in its specification provided for review (but these services are not necessarily delivered direct to each individual mooring). Facilities for conveniences and showering / disposal of waste water (black waste pump-out and chemical toilet cassette emptying) and refuse disposal for moorings, as well as a Seabin are also to be provided on site, in an easily accessible location of the Developer's discretion.

A second phase of works also has planning permission. These works do not form part of the requirements for this tender. These works include:

- All works associated with Brimscombe Hill, including carriageway construction, utilities diversion and any necessary temporary works.
- Construct new River Frome bridge, canal bridge, river crossing culvert, retaining wall and overflow weir and demolition of the existing bridge.

- Excavation of the remainder of the canal channel to Gough's Orchard Lock.

3.1.2 Residential Requirements

The Council has completed a master-planning exercise to determine the site's viability which suggests that not less than 178 new homes could be accommodated on the site. Developers should not be limited by the indicative figure of 150 units included within the Local Plan. It is anticipated that the development will be high-density, in order to maximise the profitability and sustainability of the site. The masterplan produced by the Council demonstrated this was achievable using a mixture of apartments and houses. It is expected that the Developer will initiate their own masterplan for the site, developed in consultation with the District Council, and determine a suitable quantum and mix of residential units to ensure the developments success. Leasehold units are to bear no ground rent.

The Council's policy requires a minimum of 30% affordable housing provision for any new development. Brimscombe Port will be no exception.

The required affordable housing provision for Brimscombe Port is:

- 50% Rented
- 50% Intermediate (shared ownership)

Of this mix of affordable housing, the Council requires a predominance of 2 bedroom and then 1 bedroom homes and a smaller element of 3 and 4 bedroom homes, all with access to private external space.

The Council is open to exploring alternative housing delivery products such as private rental, community-led housing, extra care or over 55 living. The housing products proposed must be designed with the following in mind;

- Local amenities, the suitability of these and any deficits that may need to be filled;
- Access and car parking;
- Sustainable living i.e. the ability to live and work within the community;
- The current shortfall in the local area of 1, 2 and 3 bedroom apartments and housing;

The design of units should be sympathetic with their surroundings (as detailed in the 'Planning/Design' section of this Output Specification). There is scope for a predominance of south facing dwellings overlooking the water with a backdrop of hills.

Careful consideration of the market demand will be required and how the units can be made available to the public at the earliest opportunities.

Residential canal moorings will be provided and maintained by SVCC to increase the diversity of the residential offer.

3.1.3 Commercial, Retail and Leisure Requirements

It is envisaged that circa not less than 1,000m² of commercial space is provided, depending on viability. The Developer will be required to determine a suitable mixture e.g. retail, office and workshop/gym uses for the site.

3.1.3.1 Commercial

The delivery of commercial facilities is a requirement of this OS, however the mix and amount subject to the minimum should be determined by Developers.

Commercial space should:

- Support the desire for local enterprise;
- Be carefully considered alongside the community facilities being provided;
- Be sustainable with long term profitable viability;
- Enable Brimscombe Port to be a vibrant destination during evenings and weekends.

The commercial facilities will play a crucial role in developing the local economy, supporting the ability for the community to live and work in the same place, and providing opportunities to new, small and independent businesses.

The developer will sell or let the commercial elements (excluding any in the Community facilities)

3.1.3.2 Retail and Leisure

The Council requires retail and leisure facilities to be provided to enhance the sense of place for the local community and drive the local economy in a sustainable way. For this to be successful the retail and leisure facilities must be;

- Viable all year round;
- Be suitably competitive given the sites location and the alternative options visitors have;
- Enhance the community offer and crucially, link to the residential offer;

3.1.4 Public Realm Requirements

The Council encourages developers to be creative with the Public Realm proposals and consider innovative solutions that reflect the Building for Life 12 and Building with Nature requirements. These will be at the developers' cost.

The Public Realm is required to be designed to:

- Meet the Council's Public Realm policy requirements, as detailed in the draft local plan, for the 'Better Design of Places';
- Align with the Stroud Industrial Heritage Design Guide, which is adopted as Supplementary Planning Advice;

- Make the basin, canal, river, Bourne Mills and Port Mills focal points;
- Enhance the public rights of way and access into and across the site for pedestrians and cyclists in order to provide opportunities for and promote active travel;
- Ensure public circulation enables interaction with the Public Realm and surrounding environment, with streets as social multifunctional spaces to enable a sense of community;
- Clearly distinguish between public and private space;
- Include play equipment and play space, suitable for young children, in a safe and secure environment. The most appropriate solution should be determined by Developers;
- Provide separate play space for older children;
- Incorporate public art.
- A property ManCo/Cic will be formed to manage and maintain the public spaces, structures, play spaces and parking on site. (a) The ManCo/ CiC will be responsible for the public and private space, (b) SVCC will be responsible for canal walk areas etc., and (c) the Developer will ensure that the access roads are adopted.

Due to the constraints of the site it is recognised that the policy position for play space cannot be achieved at Brimscombe Port. Developers are encouraged to align proposals with LEAP policy as far as possible.

3.1.5 Site Access, Egress and Car Parking

3.1.5.1 Site Access and Egress

A new vehicular access, as detailed in the Atkin's design and planning permission, will be required at the midpoint of the A419. This will create a new view across the site and hillside, giving a magnificent sense of arrival from a slightly elevated stance.

The existing access at the western side of the site will be closed off due to the canal works.

A study is being carried out to explore the upgrading of the A419 to create better cycle and pedestrian routes which in turn aim to have place making benefits. The A419 Stroud to Chalford Inspiration Study will be made available to Developers.

A connection with existing cycle routes and improvements to the cycle network are required where possible within the site, including the potential need to connect to a new segregated cycleway plus footpaths on the A419.

3.1.5.2 Car Parking

Car parking will be one of the most important challenges during the design development and the Building for Life requirements set out the Council's desired approach.

Car parking will be land hungry, will need careful consideration and should not dominate the street. Prominent waterside locations should be avoided and car free areas created. Provision of car parking within/beneath buildings/structures may reduce visual impact.

The Council would like Developers to consider:

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- Innovative design solutions to minimise the impact of car parking on the development;
- Alternative options to reduce reliance on cars, and support the Council's sustainability agenda, such as car sharing and other sustainable transport measures;
- E-bike charging points

The Council requires the following parking provision to be provided:

- In line with the draft Local Plan, the number of parking spaces will be a matter for negotiation and assessed according to individual circumstances. The proposed provision will need to be demonstrated to be suitable based on (but not limited to) the following:
 1. The accessibility of the development
 2. The type, mix and use of the development
 3. The availability of and opportunities for public transport
 4. Local car ownership levels
 5. The need to ensure an adequate provision of spaces for charging plug-in and other ultra-low emission vehicles
- For procurement purposes, an allowance of 1.5 parking spaces per residential unit should be considered.
- Sufficient parking for visitors, canal boat owners (10), the Port Mill (71), new commercial space and disabled parking bays. Some of the 71 car parking spaces for the Port Mill will be on land retained by the Council behind and to the west of the Mill. The Developer will be granted a license to enter on to the land to reconfigure the car parking as required to maximise the spaces for the Port Mill and to lessen the impact on the site itself.
- Parking for the community facilities (as detailed in section 3.5.6. below).
- In line with the draft Local Plan, every new residential building with an associated car parking space will have a charge point and every new non-residential building including buildings undergoing major renovation with more than 10 car parking spaces to have one chargepoint and cable routes for an electric vehicle chargepoint for one in five spaces.
- Cycle parking in line with the draft Local Plan
- Parking spaces for the Mill will be provided free in perpetuity. The remaining spaces will be owned and managed by the CIC/ManCo.

3.1.6 Community Facilities

A new community space (minimum GEA of 335m² and a maximum of 670m² and an outdoor area for provision of seating and children's play area) will form part of the new development; this is seen as being crucial to 'add value' to the development by providing a 'sense of place'. It is currently the intention to provide these facilities in a 'prime location' on the Port.

The facilities must be clearly defined and co-ordinated with the wider context of the proposed development and be a sustainable facility that will offer year-round facilities that are flexible for a wide range of uses.

The community facilities should support the Council's and Parish Council's key values which are;

- Social – a hub where people can meet and socialise, and where people get help and support. A place that is always accessible to local people.

- Sustainable – generating a surplus to enable long term improvements and friendly to the environment
- Services – offering useful facilities to local people

To ensure success the community facilities must be designed with the following in mind;

- A suitable amount of car parking is provided to encourage use of the facilities;
- Flexible/multi-use spaces to accommodate a range of activities;
- A welcoming design to encourage use;
- A café could form part of the facilities;
- Commercial facilities which are capable of being let; this may take the form of meeting rooms, small business start-up units and offices etc;
- Other building uses that may be considered include; health service provision, children's and/or youth centre and adult education provision;
- The building must be adaptable to changing uses with changing trends in requirements to ensure its success and sustainability.
- Facilities to include a main hall suitable for sports use of 136 sq. meters, toilets and entrance of 25.5 sq. meters, kitchen and store of 57 sq. metres and a meeting room of 19 sq. meters.
- These facilities could also provide/share canal amenities such as toilets and showers not provided at the Salt Warehouse (see section 3.5.1) or elsewhere on the site.

3.2 Planning Policy and Design Standards – Quality and Context

These obligations are set out by the Council exclusively in their capacity as landowner. All usual planning requirements shall be complied with.

The Council's draft Local Plan¹ for the Brimscombe Port site encourages:

- A diverse/mixed-use development;
- A minimum of 150 dwellings (The Council's masterplan suggests that 178 homes can be delivered and so any proposal should not be limited by this indicative figure in the Local Plan).
- Canal related tourism with the reinstatement of the canal being a strategic priority.
- Employment uses e.g. commercial and retail units which could take advantage of the waterside setting. There is some flexibility over the range of uses.

3.2.1 Council Design Standard Objectives

¹ <https://www.stroud.gov.uk/environment/planning-and-building-control/planning-strategy/stroud-district-local-plan-review/local-plan-review-pre-submission-draft-local-plan-regulation-19-consultation-may-2021>

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The Council's aspiration is for the Brimscombe Port development to create a series of spaces that respond to the site's unique opportunities such as its relationship with the water, and so that the site maximises the views beyond.

The Brimscombe Port development should be a place which is attractive for residents, visitors and local businesses. Building for Life 12 and Building with Nature are important requirements for the Council and are to be complied with in the development of proposals for the site, in addition the checklist below provides criteria against which the design for Brimscombe Port will be considered (this list is not exhaustive); it does not provide solutions rather lists matters which need to be addressed.

- The relationship between the site and the wider community will need to be a primary consideration, and it is expected that the village and the site should have good visual and physical connectivity. Some provision for community use on the site is expected.
- The Council will be seeking imaginative ideas with regard to parking and traffic movement within the site. A car-dominated scheme is unlikely to be appropriate. Schemes that separate cars from people would be favourably considered.
- Thought should be given as to how the site sits within the landscape. Development should allow views out to the surrounding hills, and conversely should sit comfortably in its setting when seen from higher ground.
- The Local Planning Authority welcome innovative approaches to architectural style, construction method and materials, encouraging modern methods of construction, providing that they pay regard to the character of the site. Pastiche mill type buildings that would challenge the hierarchy of the remaining historic buildings on and adjacent to the site would be unlikely to be supported. Generic waterfront development of a single scale and limited palette of non-locally distinctive materials should be avoided. We seek a lively and welcoming mix of height and design, reflecting the historic use of the site and drawing on the varied architectural influences of industry and the local vernacular.
- Care is needed on heights and massing of buildings; whilst some tall structures are likely to be appropriate, particularly in the middle of the site, these should be broken up by buildings that respect human scale on the site edges. Overly restrictive standards with regard to matters such as privacy etc. may not always be applied in the interests of good development, however, secured by design principles should be applied wherever possible.
- The development would be expected to provide a diverse range of public and private spaces. Widespread public access to the canal and basin edges is a requirement, but communal and private spaces for the use of residents will be encouraged. Traditional development with individual gardens is unlikely to be appropriate across the site; therefore, other means for the provision of residential amenity space would be welcomed.
- Opportunities should be taken to enhance biodiversity across the site, including the introduction of planting wherever possible. Schemes that are planned for the differing needs of the various species found around the site and for the encouragement of new species would be welcomed. It is expected that the development should achieve the Building with Nature benchmark.
- Be innovative with design solutions, setting the development apart and creating a 'beacon' within the District;

- Ensure that the design and implementations allows for ease of maintenance once in operation;
- Consider noise and air quality and proposed solutions that minimise the effects of both.

3.3 Sustainability Requirements

The Council is committed to ensuring that all future development within the District is delivered in a sustainable manner, not just in the short-term delivery but in the long-term use and operation of buildings. This section of the OS sets out the Council's key objectives for the Brimscombe Port development which will contribute towards to Council's District wide ambitions.

3.3.1 Council Sustainability Objectives

- **2030 Strategy – Limiting, Adapting, Recovering and Responding in a Changing Climate**

At Full Council on 18 March 2021, members resolved to adopt the 2030 Strategy and Master Plan, which sets an overall route map across a range of priority areas, with a supporting master plan. Collectively, these documents represent an array of options and approaches, based on evidence of key issues and challenges, to achieve the ambition to do everything within the Council's power to achieve a carbon neutral district by 2030.

Developers will need to address this Strategy and Master Plan for the redevelopment of the Port.

- **Draft Local Plan**

This sets out the Council's development strategy for meeting growth and development needs up to 2040. The next stages of plan preparation involve submitting the draft plan and all associated documents and evidence base to the Planning Inspectorate. The Council is currently preparing for submission and this is expected to happen late October with the normal examination process taking approximately 15 months. The Council would therefore be looking to adopt the Plan in early 2023 at the earliest.

Developers will need to address the draft Local Plan.

- **Development Requirements**

Brimscombe Port is located in the heart of the Cotswolds and offers a unique opportunity to the Council and its Developer to develop a thriving sustainable community, enhancing its diverse environmental offer. The site, with its unique placement in a valley at the foot of picturesque hillsides leading to the Cotswold plateau and adjacent to the River Frome, offers developers an opportunity to design and develop a 'one of a kind' site which enhances its environmental features.

This section details what the Developer will be required to deliver as part of the Brimscombe Port development.

3.3.1.1 Carbon Neutral by 2030

Developers should consider and propose innovative solutions to support the achievement of the Council's Carbon Neutral by 2030 target. Consideration must include the short, medium and long term:

- Short Term – Developers will be required to consider material selection during construction, transport of materials, plant and labour to minimise CO2 production where possible. This will be monitored through KPI's which will be developed during the dialogue process.
- Medium and Long Term – Developers will be required to demonstrate that the design solutions proposed ensure that the use and operation of buildings minimises CO2 production such that the Carbon Neutral target can be achieved by 2030.

3.3.1.2 Holistic Approach to Sustainability and Development

Developers must demonstrate a holistic approach to the design development and sustainability strategy developed through dialogue. Considerations could include:

- The attractiveness of the development to end users and the impact this has on demand, purchase prices and resale values;
- The impact on the wider local community in relation to transport (both during and after construction), services and facilities available;
- Energy generation and consumption;
- Carbon use and reduction (as noted above), including embodied Carbon;
- Green infrastructure;
- Waste minimisation;
- Transport and access;
- Services and utilities strategy e.g. gas, water, electric etc;
- Building materials and systems;
- Design philosophy.

3.3.1.3 Standard Assessment Procedure (SAP) Target

The Council requires the development to achieve a minimum SAP Rating of 86-94 which equates to Code level 4 requirements.

3.3.1.4 Building with Nature

The Council is committed to working in accordance with the Gloucestershire Green Infrastructure Pledge.

The pledge will be implemented through this project by delivering in accordance with 'Building with Nature' standards². This user guide combines existing guidance and good practice to ensure that new infrastructure projects implement sustainable and green principles in all stages of a project, including:

- Policy
- Planning
- Design
- Delivery
- Long-term management and maintenance

Developers will be required to provide the Council with a strategy to outline how this benchmark will be delivered and achieved.

As a consequence of the Building with Nature accreditation, Developers will be required to consider the use of Sustainable Drainage Systems (SuDS) at an early stage in the design development (in addition to ensuring all proposals align with the Atkins design for the Infrastructure works, as detailed in Appendix A and B of this OS).

3.4 Social Value Requirements

Under the provisions of the Public Services (Social Value) Act 2012 the Council is required to consider how the economic, social and environmental well-being of the district might be improved through the procurement of services. This section of the OS sets out the Council's aims in this regard, in relation to the procurement of services for the Brimscombe Port development. The Council is using the Core National TOMS 2021 to assess Developers' proposals.

3.4.1 Council Social Value Objectives

- Enable local wealth building and skills development within the local community;
- Ensure that construction works are carried out in accordance with Considerate Contractor standards.
- Leave behind a positive legacy for years to come.
- Ensure that the procurement and delivery of any works adhere to the Modern Slavery Charter.

3.4.2 Development Requirements

This section details what the Developer will be required to deliver as part of the Brimscombe Port development; these standards will be monitored through Key Performance Indicators (KPIs) to ensure ongoing delivery by the Developer.

3.4.2.1 Local Wealth Building and skills development within the local community

² <https://www.buildingwithnature.org.uk/how-to-start>

The Council has identified a shortage of skilled workforce in the Brimscombe Port area and intends to address this through the Brimscombe Port development, with the support of the Developer. The key objectives are;

- Development of a skilled workforce within the local community addressing skills shortages such as bricklaying, plasterers, roofers, plumbing, steelwork, site supervision etc;
- Provide long term economic benefits to the local community;

It is anticipated that skills will be developed through apprenticeship schemes offered by the Developer and their supply chain. The sub-contractors to the Developer will play a critical role in achieving this objective and must be fully engaged in the Social Value objectives in order to achieve the project KPI's, which will be developed through the Competitive Dialogue process.

In addition, the Council would like to promote the development of small businesses within the local area to again develop skills within the local workforce and subsequently stimulate the local economy.

3.4.2.2 Considerate Contractor Standards

The Council recognises the importance of reflecting its Social Values in the project delivery/construction phase and will require the Developer to deliver these standards through the Considerate Contractor scheme. In particular, the Council wishes to:

- Promote the Brimscombe Port development in the local community by presenting competent management, awareness of environmental issues and demonstrating 'neighbourliness'.
- Ensure that community engagement is an important part of the project from planning stage through to completion.

3.4.2.3 Unite Construction Charter

On 11 July 2019 the Council passed the Unite Construction Charter³ which all supply chain members must adhere to. The Developer will be required to comply with this Charter and ensure all of its supply chain complies with said Charter.

3.4.2.4 Modern Slavery Charter

The Council has passed a Modern Slavery Charter⁴ which all supply chain members must adhere to. The Developer will be required to comply with this Charter and ensure all of its supply chain complies with said Charter.

3.4.2.5 Use of Local Supply Chain

Where possible the Developer should utilise local skills and labour for the Brimscombe Port development.

3.5 Site Information

3.5.1 Buildings to be retained

The Port Mill, a spectacular Grade 2 listed building will be retained and form part of the development masterplan; the building is owned by and will be retained by the Council and is Class B1 (Business).

The Grade 2 listed Salt Warehouse is to be retained and it is planned that this will be transferred with a water supply and drainage, provided by the Developer, to Stroud Valleys Canal Company for its own use.

3.5.2 Site Surveys

The Council has undertaken extensive site investigation, including the following site surveys:

- Transport assessment
- Utilities assessment
- Ground Investigation Report
- Ecology Surveys
- CCTV and ground penetrating radar surveys
- Archaeological survey

Documents can be found on the planning portal together with the planning approval and related conditions for the infrastructure design.

- Listed Building application – S.19/1503/LBC
- Detailed planning application for the demolition and infrastructure – S.19/1502/FUL

³ <https://www.stroud.gov.uk/media/1034141/item-8-unite-construction-charter.pdf>

⁴ <https://party.coop/local/councillors/modern-slavery-charter/#intro>

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3.6 Developer Requirements

This section of the OS outlines the Council's requirements in relation to the Developer, including the behaviours required.

The Council is seeking a Developer to offer the following;

- Similar project delivery experience
- Capacity and capability to provide the resource required to support the new development
- Access to development funding
- To act collaboratively with The Council to ensure a successful relationship and ensure the success of the development.

The Council has identified a number of Key Performance Indicators (hereafter "KPIs") which will be used for the duration of the contract, to monitor and record the Developer's performance against a set of key performance standards. It is proposed that the KPIs are developed through the competitive dialogue process.

Category			KPI
1	Delivery	Deliver the development effective and efficiently.	Rate of actual delivery against the agreed development model (as agreed through the dialogue process).
2			Compliance with or improvement of the commercial outcomes in the agreed development model.
3			Compliance with the Value for Money protocol.
4	Behaviours	Exhibit the right collaborative behaviours in all that we do.	Achieving continue improvement in staff satisfaction, evidenced through an increased score in the [Name tbc) Satisfaction Survey
5	Health & Safety	Continually maintain the highest levels of safety in all we do.	Provide an average of a least [◆] hours of training for each member of staff on site, on health and safety matters.
6			Achieve the target of zero reportable incidents.
7			Achieve the Considerate Contractor requirement to achieve a minimum score of 42 in each quarterly report.
8	Sustainability	Ensure that we minimise the impact of our actions and activities on the environment.	Achieve or exceed project target for sustainability. Baselines for environmental measures established should be consistent with good industry practice (including carbon, water, waste/recycling, raw materials and habitats).
9	Social Value	Deliver additional value to the communities we serve.	Achieve or exceed project target for social value.

4. Consultation

The Developer will be required to carry out consultation with the local community, the Parish Council and SVCC and to feedback to those stakeholders the changes made as a result of the feedback received.

5. Anti-Bribery

The Developer must:

- be in compliance with all applicable anti-bribery and anti-money laundering laws including the UK Bribery Act 2010 and have instituted and maintained policies and procedures designed to promote and achieve compliance with such laws;
- ensure that neither it nor any of its subsidiaries, directors, officers, nor to its knowledge any of their employees or contracting parties, have or will in connection with the proposed development (i) use any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity, (ii) make any direct or indirect unlawful payment from corporate funds, or (iii) violate any provision of any applicable anti-bribery law or anti-money laundering law; and
- ensure that the funds that will be used in relation to the proposed development are not derived from criminal activity.

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APPENDIX D: TENDER EVALUATION MATRIX

Level 1		Level 2		Level 3		Summary		Question	Guidance / Information Made Available to Developers to Inform their Responses	Word Limit	
Criterion	Weighting	Criterion	Weighting	Criterion	Weighting	Overall Weight	Overall Rank				
Deliverability of the Commercial Offer This section of the ITSFT has been designed to test the ITFT Developers proposal for the strategic Developership arrangement, focusing on the structure, financing and methodology for delivery		Deliverability and Risk Developers will be tested on their commercial proposals, including their level of risk acceptance and how they will fund the project.	27%	a	Business Plan	37%	10.00 %	3	Can you fully demonstrate that you can deliver a commercially viable project by providing a fully costed business plan in the format provided?	Please provide a cost proforma in the format provided. This section will assess the capital receipt element of the viability located on cell H74 of your financial proforma, this will be scored by: The highest anticipated land value payment will be awarded 100%. Lower land value payments will be awarded a percentage based on the value proportionate to the lowest land value payment received (e.g., a land value payment of £9 would be awarded	Response should be in the form of the template proforma only - no appendices.

APPENDIX D: TENDER EVALUATION MATRIX

Level 1		Level 2		Level 3		Summary		Question	Guidance / Information Made Available to Developers to Inform their Responses	Word Limit	
Criterion	Weighting	Criterion	Weighting	Criterion	Weighting	Overall Weight	Overall Rank				
									a score of 90% if the highest land value payment is £10). Minus values will score 0 in this section.		
				b	Financial Commitment	22%	5.80%	8	How will you fund the development? What evidence have you provided to confirm this?	None - will link into BP above	1000 words excluding letters of support.
				c	Acceptance of Risk	22%	5.80%	8	What is your approach to managing/sharing risk for this development? What assumptions/ exclusions have been made in the costed business plan and how will these be resolved. Will the business plan need to be amended to reflect the resolutions to these assumptions/ exclusions?		No word limit

APPENDIX D: TENDER EVALUATION MATRIX

Level 1		Level 2		Level 3		Summary		Question	Guidance / Information Made Available to Developers to Inform their Responses	Word Limit
Criterion	Weighting	Criterion	Weighting	Criterion	Weighting	Overall Weight	Overall Rank			
				d	Commercial Returns	20%	5.40%	8	<p>What level and timing of commercial returns are you expecting to achieve?</p> <p>This section will test the viability robustness of income inputs.</p> <p>Please provide any supporting information which validates the income inputs and associated timing for your financial proforma, this will be reviewed against standards set out in the output specification along with consistency of documents requested throughout this matrix</p>	No word limit
			Development Cost and Viability	8%	e	Delivery Cost for Development	33%	2.70%	16	<p>What information has been developed to validate the cost inputs in your submission.</p> <p>This section will test the robustness of cost inputs of the financial proforma.</p>

APPENDIX D: TENDER EVALUATION MATRIX

Level 1		Level 2		Level 3		Summary		Question	Guidance / Information Made Available to Developers to Inform their Responses	Word Limit	
Criterion	Weighting	Criterion	Weighting	Criterion	Weighting	Overall Weight	Overall Rank				
									Please provide any supporting information which validates the cost inputs in your business plan, this will be reviewed against standards set out in the output specification along with documents requested throughout this matrix		
		This section will test Developers more deeply on their financial proposals for the strategic Developership.		f	Viability Tests / Quantum of Guaranteed Development	33%	2.70%	17	Are your phasing proposals subject to future viability testing and/or subject to achieving future sales rates?	None	1000 words excluding diagrams.
				g	Contracting Strategy	33%	2.70%	17	What is your commercial strategy for delivering the project?	None - there is a link to social value strategy, but this will be for them to resolve	1000 words. No appendices.
		Strategic Developer Structure/Offe r	6%	h	Structure & Governance incl Job Descriptions	50%	3.00%	12	What are your proposed governance structures for delivering the project?	None - will link into BP above	1000 words excluding diagrams.

APPENDIX D: TENDER EVALUATION MATRIX

Level 1		Level 2		Level 3		Summary		Question	Guidance / Information Made Available to Developers to Inform their Responses	Word Limit	
Criterion	Weighting	Criterion	Weighting	Criterion	Weighting	Overall Weight	Overall Rank				
		This section tests Developers proposals for the strategic Developership arrangement, how they propose to work with the Council to deliver the project and to demonstrate a suitable level of resource will be provided to ensure successful delivery.		i	General Management Arrangements	50%	3.00%	12	What management methodology do you propose?	None	1000 words excluding diagrams.
		Delivery Methodology This section tests	5%	j	Programme	50%	2.40%	14	What is your development programme?	None	750 words, excluding programme which should not exceed 4 sides A3.

APPENDIX D: TENDER EVALUATION MATRIX

Level 1		Level 2		Level 3		Summary		Question	Guidance / Information Made Available to Developers to Inform their Responses	Word Limit	
Criterion	Weighting	Criterion	Weighting	Criterion	Weighting	Overall Weight	Overall Rank				
		Developers on their approach to delivering the development outputs.		k	Sales and Marketing Strategy	50%	2.40%	14	What is your sales and marketing strategy for each of the residential and commercial offers within the overall project proposal, reflecting your phasing strategy?	None	1000 words excluding pictures/diagrams. No appendices.
Development Outcomes This section tests the Developers on the quality of the outcomes being delivered by the Strategic Developer, focusing on their strategy for delivery, compliance with		Development Outcomes This section tests Developers on the quality of the outcomes to be delivered, and compliance with the Councils Output Specification.	37%	l	Design Standards	31%	11.30%	1	What is your approach to delivering a high-quality development? The submission should include a vision statement and masterplan, layouts, massing and elevations to demonstrate your approach paying regard to the details contained within the output specification.	Output Specification requirements	2000 words for the vision statement and an additional 1000 word explanatory text to support pictures/diagrams and mood board. No appendices.
				m	Development	25%	9.10%	4	What numbers, sizes, types and indicative layouts are you proposing for the private residential properties with regard to the details contained within the Output Specification and what % of affordable housing are you offering overall and what numbers, types,	Output Specification requirements	2000 words excluding pictures/diagrams. No appendices.

APPENDIX D: TENDER EVALUATION MATRIX

Level 1		Level 2		Level 3		Summary		Question	Guidance / Information Made Available to Developers to Inform their Responses	Word Limit	
Criterion	Weighting	Criterion	Weighting	Criterion	Weighting	Overall Weight	Overall Rank				
Council requirements and innovative solutions for delivering said outcomes								tenure and locations are being proposed for these properties?			
				n	Development	13%	4.60%	11	What number, size and location of commercial units are you offering?	Output Specification requirements	2000 words excluding pictures/diagrams. No appendices.
				o	Development Offer - Public Realm	18%	6.50%	6	What is your offer in terms of public realm for the development having specific regard to the requirements in the Output Specification.	Output Specification requirements	2000 words excluding pictures/diagrams. No appendices.
				p	Development Offer Community Facilities	15%	5.40%	7	What is your offer for the provision of community facilities, where is it located and how does it meet the requirements of the output spec?	Output Specification requirements	2000 words excluding pictures/diagrams. No appendices.
			Sustainability Strategy								
		This section tests Developers on their compliance with the Councils Output	9%	q	Sustainability Proposals	100%	9.00%	2	What is your proposed strategy to achieve the Council's sustainability requirements, and will it achieve the Building with Nature accreditation?	Output Specification requirements	1000 words excluding pictures/diagrams. No appendices.

APPENDIX D: TENDER EVALUATION MATRIX

Level 1		Level 2		Level 3		Summary		Question	Guidance / Information Made Available to Developers to Inform their Responses	Word Limit
Criterion	Weighting	Criterion	Weighting	Criterion	Weighting	Overall Weight	Overall Rank			
		Specification, and their innovative solutions for Sustainability.								
		Social Value This section tests Developers on their compliance with the Councils Output Specification, and their innovative solutions for Social Value.	8%	r	Social Value Proposals	100%	8.00%	5	What is your proposed social value strategy for the project?	Output Specification requirements

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Evaluation Methodology

Score	Definition	Assessment
-------	------------	------------

APPENDIX D: TENDER EVALUATION MATRIX

5	A comprehensive response has been submitted providing reassurance in relation to all facets of the question with no negative aspects or inconsistencies. Beyond this the response exceeds the expectations set within the questions and is considered to offer added value to the client.	Excellent
4	A comprehensive response has been submitted providing reassurance in relation to all facets of the question with no negative aspects or inconsistencies.	Good
3	The response responds to all of the points asked in the question with minor concerns with the submission.	Mostly Satisfactory
2	The response does not respond to all of the points asked in the question and there are minor concerns with the submission.	Mostly Unsatisfactory
1	The response responds to some, or all of the points asked in the question with major concerns.	Unsatisfactory
0	No response provided, or response is non-compliant and bears little resemblance to the question asked.	Unacceptable

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Tender Report

Invitation to Submit Final Tender

Private & Confidential

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DOCUMENT CONTROL

Project name	Tender Report	Project number	GASG
Date of Issue	30/06/2022	Version number	1
Reason for issue	Client approval		
Document author	Kirk Hardy	Grade	Associate Director
Signature			
Contributors	Chris Bowmer		
Approved by	Michael Davies	Grade	Director
Signature			
Security classification	Not Applicable		
Distribution to	Local Authority		
Related project documents	Not applicable		

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Executive Summary

This report is intended to provide Stroud District Council with a brief description of the process leading to the Invitation to Submit Final Tenders Stage and the subsequent receipt, evaluation, moderation and weighting for each of the Tenderers' tender submissions.

Three tenderers were taken from the Selection stage and invited to participate in dialogue. Outline submissions from the tenderers were presented and developed through the dialogue process in readiness for issuing the Invitation to Submit Final Tender.

An overview from the dialog phase of the agendas can be found in Appendix B and clarifications in Appendix A.

The Invitation to Submit Final Tenders responses were initially assessed for completeness and compliance. Following this assessment all submissions were considered suitable for evaluation however some risks were noted during the process and have been expanded upon in the preferred bidder section 5 note: The risks predominantly belong to the unsuccessful tenderers.

The scored evaluation of the submissions has been undertaken by a team comprised of council officers and professional consultants from Gleeds Cost Management Ltd. The evaluation and moderation were undertaken in line with best practice offering:

- Equitability of opportunity
- Transparency in process
- Integrity of conduct in running the procurement
- Confidentiality of individual tenderers proposition
- Auditability of whole process to demonstrate the above

Following the evaluation process **Tenderer X is considered the most economically advantageous tender** response to be taken forward to the Preferred Tenderer Stage.

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	Subject	Total Weight available	Tenderer 1 Weighted Score	Tenderer 2 Weighted Score	Tenderer 3 Weighted Score
a	Business Plan	10.00%			
b	Financial Commitment	5.80%			
c	Acceptance of Risk	5.80%			
d	Commercial Returns	5.40%			
e	Delivery Cost for Development	2.70%			
f	Viability Tests / Quantum of Guaranteed Development	2.70%			
g	Contracting Strategy	2.70%			
h	Structure & Governance incl Job Descriptions	3.00%			
i	General Management Arrangements	3.00%			
j	Programme	2.40%			
k	Sales and Marketing Strategy	2.40%			
l	Design Standards	11.30%			
m	Development Offer - Residential	9.10%			
n	Development Offer - Commercial	4.60%			
o	Development Offer - Public Realm	6.50%			
p	Development Offer - Community Facilities	5.40%			
q	Sustainability Proposals	9.00%			
r	Social Value Proposals	8.00%			

The table above shows the tenderers moderated score, the weighting applied for each question and the weighted score for each question.

The overall evaluation scores are:

Tenderer 1 –

Tenderer 3 –

Tenderer 2 –

Therefore, it is proposed that Tenderer X is appointed as Preferred Tenderer and taken forward to the next stage. This is subject to the successful completion of the stand-still period and acceptance of the council's Development Agreement.

Private & Confidential

Tenderer X can now be revealed as

Moderated evaluation commentary is located in section two with additional detail relating to design, social value and sustainability is located in appendix D.

1

Introduction

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Introduction

This report has been drafted in relation to the procurement of a development partner for Stroud District Council. The report has been drafted at the conclusion of the Invitation to Submit Final Tenders stage, in order that the preferred tenderer can be selected by Stroud District Council for the Brimscombe Port development opportunity.

The Invitation to Submit Final Tenders documentation was produced by Gleeds Cost Management Ltd in conjunction with Stroud District Council and K & L Gates.

This report is to be read in conjunction with the SQ report which articulates the process and results of the shortlisting exercise which selected the 3 potential developers which were invited to participate.

The shortlisting process was undertaken utilising the PAS 91 construction specific Selection Questionnaire (SQ), as approved by Members at the meeting of Strategy and Resources Committee on 17 December 2019 in order to shortlist potential tenderers. The Selection Questionnaire responses were scored and moderated by officers and the Councils advisors.

A procurement portal was set up to centrally manage documents, requests, clarifications and submissions, all of which are stored in accordance with the Public Contracts Regulations 2015. This data room was managed by Kirk Hardy from Gleeds Cost Management Ltd. This procurement portal was utilised throughout each stage of this process with restricted areas representing SQ, ITPD & ISFT stages.

The final procurement timetable with all dates across the process can be found below

Publication of Contract Notice	29.10.2021
Deadline for submission of SQ clarification questions	12.11.2021
Final SQ clarifications to be issued	19.11.2021
Deadline for return of completed SQs by 12 noon	29.11.2021
Issue Invitation to Participate in Dialogue (ITPD)	07.02.2022
Deadline for return of Outline Submissions by 12 noon	04.03.2022
Commencement of Dialogue	15.03.2022
Dialogue	15.03.2022 to ITSFT
Issue ITSFT	01.04.2022
Commencement of Evaluation and Moderation	03.05.2022
Notification of Contract Award decision to Developers (provisional)	13/07/2022
Standstill Period Ends (provisional)	26/07/2022
Award of Contract (provisional)	Sept 2022

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Tender process

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Competitive dialogue

The programme initially set out a 3-dialogue session per developer approach. These sessions were broken down into key modules/subjects to enable the appropriate SDC and developer team members to attend at appropriate times and ensuring no undue burden of time spent in meetings which do not relate to their specialist area.

The agendas for these meetings can be found in Appendix B. The approach here was to ensure all subjects relating to the tender documentation were presented and reviewed by the team to give feedback as to the alignment of their approach with the council's requirements. (via the clarification process)

SDC issued an extension to the dialogue process to include an additional 4th session following the solutions presented at Dialogue session 3. The goal of this session was to focus on key areas of potential non-conformances with the specification. The following clarifications were considered key for this meeting, this was undertaken for all tenderers.

Car Parking - Clarity on the council's position to the Car Parking Requirement	The council's position on Car Parking remains in line with the requirement set out in the Output Specification. A further clarification on how this will be scored in the tender submission will follow on clarification 29.
SDC clarification - Building Heights	The height of buildings has to have regard for the constraints of the site in particular heritage and landscape. Clarification 41 contains relevant extracts taken from the Output Specification, Section 3.2.1.
SDC Clarification - Scoring Criteria for the commercial element of the response	<p>To provide clarity on how the price element of the assessment will to be scored, please find guidance below;</p> <p>Section A This section will assess the capital receipt element of the viability, this will be scored by: The highest anticipated land value payment will be awarded 100%. Lower land value payments will be awarded a percentage based on the value proportionate to the lowest land value payment received (e.g. a land value payment of £9 would be awarded a score of 90% if the highest land value payment is £10). Minus values will score 0 in this section.</p> <p>Sections B to K These sections will assess the overall viability by reviewing the robustness of the inputs provided within the business plan template ensuring the number and information provided to support (in line with the word count and guidance), both align and sufficient detail has been provided to enable assurance against the output specification, the development offer and business plan template.</p> <p>*note - 'Sections' referenced above relate to the scoring criteria located in the ITPD</p>

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In relation to scale & height when considering the councils requirements in your design, SDC would like to bring your attention to the following extract of the specification which will be key for consideration in the tender assessment;

SDC clarification -
Output Specification

The Local Planning Authority welcome innovative approaches to architectural style, construction method and materials, encouraging modern methods of construction, providing that they pay regard to the character of the site. Pastiche mill type buildings that would challenge the hierarchy of the remaining historic buildings on and adjacent to the site would be unlikely to be supported. Generic waterfront development of a single scale and limited palette of non-locally distinctive materials should be avoided. We seek a lively and welcoming mix of height and design, reflecting the historic use of the site and drawing on the varied architectural influences of industry and the local vernacular.

Care is needed on heights and massing of buildings; whilst some tall structures are likely to be appropriate, particularly in the middle of the site, these should be broken up by buildings that respect human scale on the site edges. Overly restrictive standards with regard to matters such as privacy etc. may not always be applied in the interests of good development, however, secured by design principles should be applied wherever possible.

Clarification process

The clarification process was undertaken to record any communications received and sent out to the Tenderers. Due to challenges in the tenderers understanding the portal these were communicated via e-mail. All clarifications issued during this time have been provided in Appendix A.

Clarifications were issued to all parties in all instances to ensure each developer was given the same opportunity to consider the point. A process for considering commercially sensitive clarifications which could provide exposure to the other developers was considered however this was not necessary for the clarifications received during the ITPD period.

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Evaluation Process

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Evaluation Team

The evaluation of the Invitation to Submit Final Tenders was undertaken by a team of 6 evaluators.

Each of the evaluators was selected to undertake the evaluation of questions which complemented their skill sets and areas of work, be it as an officer of the council or professional consultant.

The full question set, and guidance can be found in appendix C

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valuation

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Moderation

There were a series of moderation sessions undertaken over a 5-day period. Each moderation session was chaired by Chris Bowmer (Gleeds Cost Management Ltd) being independent and not undertaking any of the evaluations.

All evaluators were required to submit their individual scoring and reasoning 24 hours prior to the moderation session. This allowed the Chair to collate the evaluations and ensure that all evaluations were undertaken independently.

The moderation sessions were undertaken in a manner where the opinion of each individual was considered to have equal importance with each member invited to provide their justification for the score they proposed. Following an agreed moderated score, the Chair drafted the moderated narrative live on screen with the input of all evaluators.

Financial Pro-forma Evaluation

Question A was set to score the overall financial cost or receipt to the Council. This question was scored on a quantitative basis as per the evaluation criteria shown to the right.

Tenderer 1	Tenderer 2	Tenderer 3
Rank	Rank	Rank
Score %	Score %	Score %

To summarise the key considerations and potential risks found following the review of the financial proformas a summary of each can be found below:

- **Tenderer 1 -**
- **Tenderer 2 -**
- **Tenderer 3 -**

A

Can you fully demonstrate that you can deliver a commercially viable project by providing a fully costed business plan in the format provided?

This section will assess the capital receipt element of the viability located on cell H74 of your financial proforma, this will be scored by: The highest anticipated land value payment will be awarded 100%. Lower land value payments will be awarded a percentage based on the value proportionate to the lowest land value payment received (e.g. a land value payment of £9 would be awarded a score of 90% if the highest land value payment is £10). Minus values will score 0 in this section.

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Qualitative Evaluations

The table below provides the moderated scores and supporting narrative as agreed in the moderation sessions:

Question	Tenderer 1	Tenderer 2	Tenderer 3
B			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
C			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
D			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
E			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
F			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
G			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
H			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
I			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
J			
Moderated Score			

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Question	Tenderer 1	Tenderer 2	Tenderer 3
K			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
L			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
M			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
N			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
O			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
P			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
Q			
Moderated Score			
Question	Tenderer 1	Tenderer 2	Tenderer 3
R			
Moderated Score			

Post-Tender Clarifications

There were [Number]/no clarifications raised for the responses moderated above.

Tenderer 1

Tenderer 2

Tenderer 3

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Results

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Weighted Scores

The weightings for each qualitative question were applied to the moderated result. The table below shows all tenderers' moderated score, the weighting applied for each question and the weighted score for each question.

Therefore, the overall evaluation results are as follows:

Subject	Moderated score Tenderer 1	Moderated score Tenderer 2	Moderated score Tenderer 3	Total Weight available	Score per point	Tenderer 1 Weighted Score	Tenderer 2 Weighted Score	Tenderer 3 Weighted Score
a Business Plan								
b Financial Commitment								
c Acceptance of Risk								
d Commercial Returns								
e Delivery Cost for Development								
f Viability Tests / Quantum of Guaranteed Development								
g Contracting Strategy								
h Structure & Governance incl. Job Descriptions								
i General Management Arrangements								
j Programme								
k Sales and Marketing Strategy								
l Design Standards								
m Development Offer - Residential								
n Development Offer - Commercial								
o Development Offer - Public Realm								
p Development Offer - Community Facilities								
q Sustainability Proposals								
r Social Value Proposals								

The tables below summarise the overall score and individual qualitative questions and below the scored appropriately weighted;

The results of which are:

1. Tenderer 1 –%
2. Tenderer 3 –%
3. Tenderer 2 –%

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Preferred Tenderer Letter Considerations

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A preferred tenderer letter will be issued in which the council sets out to the preferred tenderer the issues identified as part of the evaluation process which need to be addressed prior to execution of the development agreement.

Tenderer 1

Tenderer 2

Tenderer 3

Appendix A

Clarification Responses

Appendix B

Competitive Dialogue Agenda

Appendix C

Stroud District Council Scoring Criteria

(See Tender Evaluation Matrix)

Appendix D

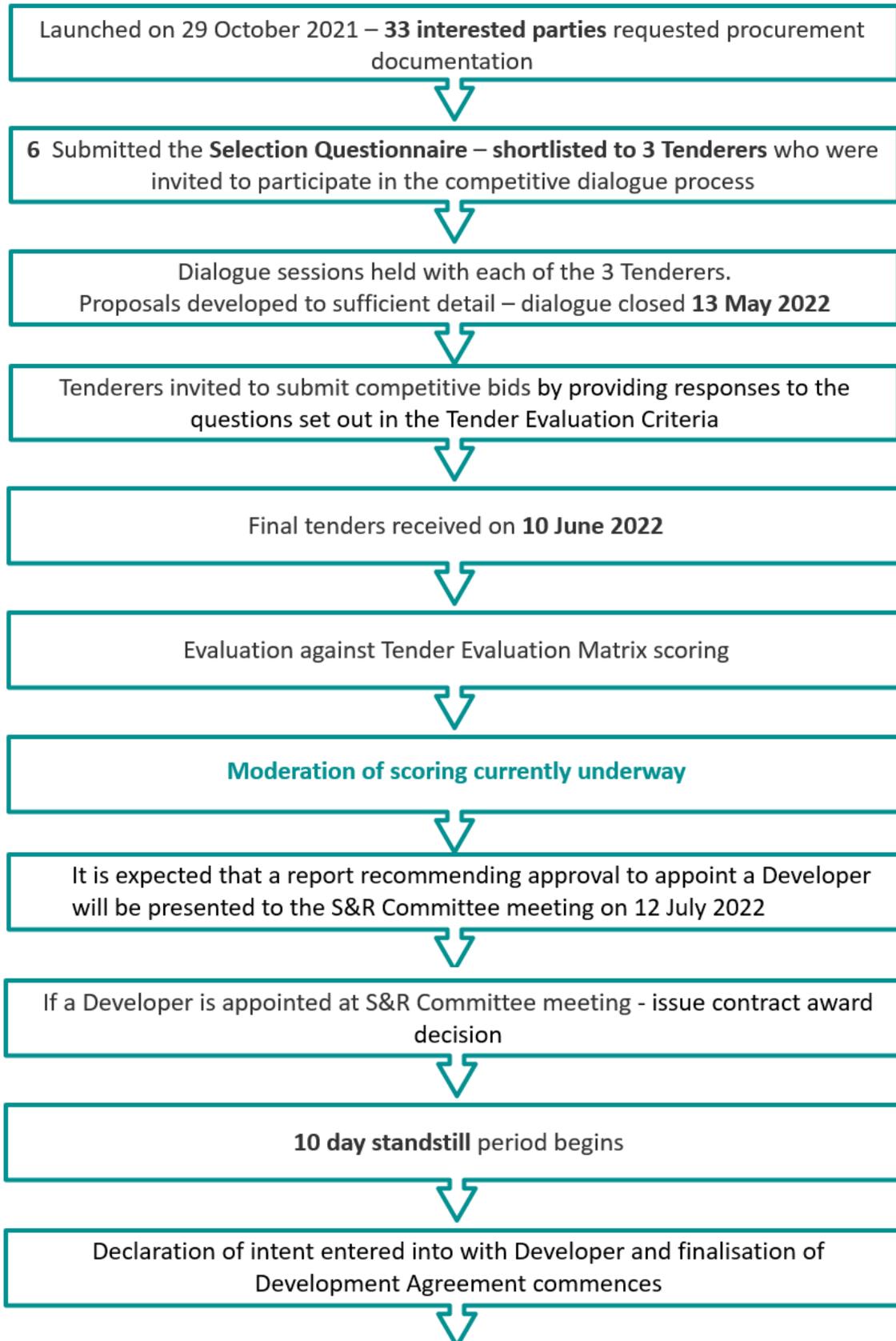
ISFT Design Response

These will be Displayed in the Exempt Session of the
Strategy and Resources Committee Meeting

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Procurement Process

Competitive dialogue – allows bidders to develop alternative proposals in response to client’s outline requirements.



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APPENDIX G: DRAFT HEADS OF TERMS: DEVELOPMENT AGREEMENT**1. PARTIES**

Stroud District Council (SDC)

Developer (selected pursuant to the Competitive Dialogue process)

2. INTERESTED PARTIES

SVCC – Stroud Valleys Canal Company, canal owner and operator

Homes England (HE) – funding partner

LGA/Cabinet office – One Public Estate Land Release Funding partners

3. THE PROJECT

SDC intends to select a Developer capable of delivering a profitable and sustainable, new residential led, mixed use community that meets the needs of both existing and future residents and which brings the canal, and the wider site back into vibrant use.

4. OBJECTIVES

- 4.1 To select a skilled, visionary development partner to successfully redevelop this brownfield site. The Project will be delivered by means of a contractual development agreement ("**DA**") which is at item [] in the Data Room. Prospective Developers will be required to mark-up this document in principle and submit the mark-up to SDC in accordance with the published bid timetable. The mark-up of the DA will be considered as part of the award criteria.
- 4.2. The DA will require the Developer to remediate, decontaminate, provide new infrastructure and construct a new mixed development community in accordance with a pre-set timetable. SDC has, at its own cost, undertaken the pre-development works as set out at item [] in the Data Room. The further obligations to be taken on by SDC are set out in detail at paragraph 6 below.
- 4.3. SDC requires the Brimscombe Port development offer submitted by a Developer to include the following key deliverables as set out in the SDC's **Output Specification** at item [] in the Data Room:
- i. Reinstatement of the canal and associated infrastructure including the port basin, canal lock, winding hole, fresh water source, craning area, the towpath, site remediation and flood alleviation within the site and a short section of the canal channel excavated adjacent to the site and within SVCC's ownership.
 - b) Provision will be made for canal moorings. The Developer will provide not less than 25 moorings, comprising the following: 7 residential moorings, and 18 permanent and/or visitor classes of mooring. Not less than 8 of the 25 moorings will be finger moorings located in the basin with mooring rings and bollards. The detailed specification will follow, but the Developer is to include lighting, electricity/potable water/foul water in its specification provided for review (but these services are not necessarily delivered direct to each individual mooring). Facilities for conveniences and showering / disposal of wastewater and rubbish for moorings are also to be provided on site, in an easily accessible location of the Developer's discretion.

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APPENDIX G DRAFT HEADS OF TERMS: DEVELOPMENT AGREEMENT

- c) A water supply and drainage will also be provided to the Salt House which will be transferred to SVCC upon completion.
- d) Provision of a high density mix of residential units that will address the current housing need for 1, 2, 3 and 4 bedroom dwellings, with 30% affordable and provision of associated car parking. Unit mix and sizing is as specified in the Output Specification provided at item [] in the Data Room. The shared ownership and the affordable rented units will be transferred to SDC or to registered provider (which registered provider is yet to be defined). Costings for both tenures shall be included in the disclosed Developer financial model.
- e) Provision of new community facilities, the form and scale of which are to be determined but which are to include a community meeting space and commercial facilities that are capable of being let. It is envisaged that these will constitute a freestanding two-storey building, situated by the basin. Fit out facilities are to include heating, power, kitchens and other facilities standard for a community building. Further information is detailed in the Output Specification and at point 20 below.
- f) Provision of commercial/retail units/offices to provide a 'mixed use' element.
- g) New site access/egress points to the site.
- h) Public realm for residents and visitors. Play areas and landscaping to be delivered by the Developer. Also a bat house (already present) is to be retained and incorporated into the site as a "wilding" area and is incorporated in Atkins' GA drawings at item [] in the Data Room.
- i) Provision of a craning facility (as part of the canal infrastructure design) for a mobile crane, being a tarmacked/paved area that would be public space when not in use for purpose, built for heavy goods use and the movement of barges to and from the canal. To be in the specific area opposite the main entrance and which forms part of Atkins' infrastructure design, with the land to be owned by the CiC.

Building for Life 12 and Building with Nature will be the criteria against which proposals will be assessed.

5. THE SITE

5.1. The site is Brimscombe Port, Thrupp comprising approximately 10 acres and identified as the site edged red on the attached plan A and being registered at HM Land Registry under the following title numbers:

GR156353 (Freehold)
GR164075 (Freehold)
GR177619 (Freehold)
GR318008 (Freehold)

5.2. The transfers of the land comprising the site to the Developer and third parties is set out in paragraph 21 below.

6. DELIVERY

6.1. The Developer will be responsible for and fund (subject to paragraph 17 below) any remaining demolition, site clearance, remediation, planning, design, construction, development, property sales, and site management in order to enable delivery of the project. SDC has already undertaken and paid for the works specified in the Data Room at item [].

APPENDIX G: DRAFT HEADS OF TERMS: DEVELOPMENT AGREEMENT

6.2. The Developer and SDC will be committed to working in an open and innovative manner to successfully achieve the project objectives

7. DEVELOPER OBLIGATIONS:

These are as set out in SDC's Output Specification and are principally:

- a) To lead on community engagement and consultation;
- b) To obtain planning permission and funding for the main development;
- c) To construct the key infrastructure and development ;
- d) To market and sell the residential and commercial elements;
- e) To set up a community interest company to manage the public realm elements of the development and for ongoing maintenance of the canal and basin;
- f) To deliver social value (including sustainability) as part of the development;
- g) To ensure compliance with the conditions and milestones of SDC's funding agreements.

8. COUNCIL'S OBLIGATIONS:

SDC will:

- a) Provide or arrange the funding set out at paragraph 17 below;
- b) Provide vacant possession of the site (excluding the Port Mill and the Salt House);
- c) Secure an agreement with the Parish Council or other accountable body for the funding of the construction, fitting out and ownership of the community enterprise centre;
- d) In its capacity as Landowner, support the Developer with community engagement and consultation;
- e) Comply with the terms of the funding agreements.

9. DEVELOPMENT FINANCE

The Developer will maintain a Project Expenditure Account (PEA) that records the scheme income and costs. The Developer must on reasonable request supply copies of invoices or certificates to verify the PEA's accuracy.

10. SALE PROCEEDS

Proceeds from residential or commercial disposals will be credited to the PEA and first used to reimburse the Developer's development costs (and Developer profit). This will be encapsulated through a cash management agreement.

11. DEVELOPMENT COSTS

All costs of development are debits to the PEA and include all expenditure incurred in the reconstruction such as: surveys, investigations, fees for legal - planning - consultants - advisers - highways, stamp duty, irrecoverable VAT, insurance, site preparation, highways, remediation,

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APPENDIX G DRAFT HEADS OF TERMS: DEVELOPMENT AGREEMENT

drainage, landscaping, s104 s106 and s38 obligations, contingencies, architects, engineers, agents, interest, site management, security, insurances, contractors, materials.

12. COUNCIL COSTS

SDC is not expecting monetary receipts for its investment of land and capital funding contributed at the outset.

13. DEVELOPER PROJECT MANAGEMENT FEES

Developers are required to show any proposed developer project management fees in their financial modelling, along with payment dates. If it is a percentage cost, then the relevant percentage must be stated and the detailed method or computation set out along with the payment dates. No developer project management fees may be taken until SDC land value has been paid in accordance with the waterfall mechanic.

14. DEVELOPER PROFIT

This is to be determined through the competitive dialogue process and final bids. Land values will be assessed by reference to anticipated market values having deducted estimated development costs assembled in RICS based development appraisals.

15. DEVELOPMENT SURPLUS

If the Developer achieves its projected income levels as set out in the site development appraisals, it will share additional income over and above this threshold with SDC in a 50:50 // SDC:Developer proportion.

16. RISKS

16.1 Development risks will be the Developer's responsibility.

16.2 The Developer shall submit its viability appraisal by [date] and the final appraisal by [date].

17. PUBLIC INVESTMENT/FUNDING

SDC has secured funding for the scheme from Homes England (£2m) and the Government's Land Release Fund (£776k). SDC has also committed £750k to the project.

18. PLANNING

18.1 SDC has procured the design of the infrastructure on the site and achieved planning permission - references S.19/1502/FUL and S.19/1503/LBC.

APPENDIX G: DRAFT HEADS OF TERMS: DEVELOPMENT AGREEMENT

- 18.2 The Developer shall obtain a satisfactory planning permission for the main development site. This will be subject to review before submission by the South West Design Review Panel and subject to approval of SDC as landowner and Homes England as funder.
- 18.3 Satisfactory planning permission is achieved where the permission allows the project to proceed in the manner set out in the contract with no materially onerous conditions, where an onerous condition would cost the Developer more than 10% of the projected development costs of any of the proposed works.

19. INFRASTRUCTURE WORKS CONTRACT

SDC is procuring a Design and Build contract for the infrastructure works as identified in the Output Specifications provided at item [] in the Data Room and the B&D Contract provided at item [] in the Data Room. It is the Developer's choice whether it enters into this building contract or decides to pursue a new one independently. Either way, the Developer shall provide collateral warranties to SVCC for the infrastructure works undertaken upon completion.

20. BUILDING CONTRACTS AND SUB-CONTRACTS

- 20.1 The Developer will appoint all necessary contractors. SDC will have the right to approve any contracts covering any part of the Project in which it is invested, e.g. the community enterprise centre and the canal infrastructure.
- 20.0 Usual collateral warranties for the aspects of the Project that are being developed for SDC will be provided by the main contractor and any sub-contractors with any design responsibility prior to PC sign off. SDC may appoint a monitoring surveyor.

21. LAND TRANSFERS

- 21.1 Brimscombe Port Mill and The Salt House (Listed Buildings)
- a) Brimscombe Port Mill does not form part of the redevelopment. Parking for the building will have to be maintained throughout the redevelopment and parking lost due to the reinstatement of the canal and basin will need to be replaced by the Developer. The Developer shall within the existing curtilage provide temporary parking to the current provision, and at the end of the development provide a similar level of parking capacity within the development. Furthermore:
 - i. The Salt House does not form part of the redevelopment.
 - ii. The Development parcels shown on the Plans at paragraph 5 above (item [] in the Data Room) will transfer to the Developer.
- 21.2 Development
- a) An Agreement for Lease will be entered into with the Developer for the whole of the site on or before golden brick. This agreement will provide for two types of land transactions to occur.

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APPENDIX G: DRAFT HEADS OF TERMS: DEVELOPMENT AGREEMENT

Regarding all commercial, leasehold residential and community space, there will be a 999 year lease granted by SDC to the Developer either on golden brick itself or on practical completion (subject to further discussions between the parties and financial modelling). Regarding the residential houses only on the site (if any), SDC will transfer the relevant units directly to the end purchaser (through the agency of the Developer).

- b) Prior to the above land transactions, the Developer shall enter into a building licence for the site (to provide the Developer with access to undertake the works) which will be terminable upon breach.

21.3 Canal infrastructure

- a) The freehold interest in the completed canal, port basin and all related infrastructure (or grant of appropriate rights in respect of such infrastructure) will transfer to SVCC for nil consideration. The works are to be built to a contract mechanism - i.e. the Developer is responsible for undertaking and meeting the cost of the canal infrastructure specification (subject to paragraph 17 above) and on PC of these works will provide a usual warranty package to SVCC.

22. COMMUNITY/SOCIAL ENTERPRISE CENTRE

22.1 SDC is committed in principle to providing land or space for a community enterprise centre. The preferred location for this is hatched black on the relevant plan provided at item [] in the Data Room and will provide a minimum GEA of 335m² and a maximum of 670m². The location will also include an outdoor area for the provision of seating and a children's play area (such area to be defined) but will not exclude the submission of alternative options.

22.2 The detailed specification will be agreed and construction and fitting out costs will be met by the Parish Council (or another accountable body), and the Developer shall plan the construction of this as part of the build programme. The Parish Council will be granted a long lease of the facility (125 years) for a peppercorn rent.

23. MANAGEMENT COMPANY

23.1 A property CiC will be formed to manage and maintain the public spaces, structures and parking on site. The CiC will be responsible for the private space, SVCC will be responsible for canal walk areas etc., and SDC will ensure that the remaining space and access roads are adopted.

23.2 Surface water discharge consents, or any other suitable mechanisms from the site, will be utilised to financially maintain the restored canal and basin. Total funding from the Port site is modelled to be no less than £50k per annum. There is currently agreement between SDC and SVCC as to this payment in perpetuity to cover the running costs of the basin. These maintenance costs will be covered by mooring licences and other contracts following PC.

APPENDIX G: DRAFT HEADS OF TERMS: DEVELOPMENT AGREEMENT**24. MILESTONES AND LONGSTOP DATE**

Please see Key Milestone chart provided at item [] in the Data Room.

25. BOND

The Developer is required to provide these and shall include proposals in their bid documents.

26. INSURANCE

The Developer is to insure from site entry.

27. GUARANTEES

Where the development is to be undertaken by a shelf company, the Developer shall set out what guarantees it is offering to support the project's delivery.

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