

CAB2959(SA)  
CABINET (STATION APPROACH) COMMITTEE

REPORT TITLE: STATION APPROACH – APPOINTMENT OF DESIGN TEAM

14 AUGUST 2017

REPORT OF PORTFOLIO HOLDER: CLLR STEVE MILLER, PORTFOLIO  
HOLDER FOR ESTATES

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WARD(S): ST PAULS / ST BARTHOLOMEW

PURPOSE

In accordance with the Cabinet resolution on 20 March 2017 (CAB2864), a procurement exercise, managed for the Council by the RIBA, was undertaken to secure the Design Team for Station Approach. This report recommends that the Cabinet (Station Approach) Committee appoint the highest scoring tenderer.

RECOMMENDATIONS:

- 1 That the appointment of the recommended highest scoring tenderer be approved.

## IMPLICATIONS:

### 1 COUNCIL STRATEGY OUTCOME

- 1.1 The Station Approach Regeneration Scheme is a key action in the Built Environment and Business Partnership Portfolio Plans 2017/18 to facilitate and support the development of strategically important sites across the District and work with partners to deliver employment opportunities. The project has a clear purpose which is to ensure that Winchester remains a vibrant centre not just of tourism and heritage but also of employment and service delivery for its residents.
- 1.2 On completion, this regeneration scheme can provide a significant number of high value private sector jobs brought to Winchester through the provision of Grade A office provision, and create a gateway site into Winchester through new build regeneration and extensive public realm improvement. The regeneration scheme can also provide town centre residential units in a highly sustainable location around a transport hub.
- 1.3 The project brief sets out the more specific list of the project deliverables which includes:
- The provision of new Grade-A office space to create and retain high quality private sector jobs in central Winchester.
  - The repair and enhancement of the public realm and public transport facilities in the station area
  - Improvement of pedestrian, cyclist and traffic flows through the site, particularly at the City Road, Andover Road, Sussex Street junction
  - Improvement of the quality and location of public parking provision in accordance with the parking strategy
  - Provide a housing element in order to meet need and to help make the project viable
  - A rental income and/or a capital receipt for the City Council
- 1.4 The Council is still in discussion with number of different companies that remain interested in taking a lease for office accommodation, and we continue to receive enquiries about the availability of office space in the city which currently cannot be fulfilled.

### 2 FINANCIAL IMPLICATIONS

- 2.1 The fee from the highest scoring tenderer for phase 1 (to end of RIBA Stage 2) is set out in exempt appendix 5 and is within the current approved revenue budget for the project of £1,840,000. At this point we are committed to the fees up to the end of Phase 1 (Outline Business Case). Further budget to get to planning stage may be required for the second phase of the project (to

RIBA Stage 3 - planning) dependent on the outcomes of RIBA Stage 2.

- 2.2 The highest scoring tenderer has submitted a fee for phase 1 (to end of RIBA Stage 2) of the project as part of the financial evaluation. Phase 1 (to end of RIBA Stage 2) will involve: Disposition of uses across the Carfax and Cattlemarket sites, a strategy for improvements to the public realm, and a proposal for 'Concept Design' for the Carfax site (RIBA Stages 0 -2).
- 2.3 The development will be taken forward in phases with the Council exercising the right at its sole discretion at the end of each Phase as to whether or not it wishes to instruct the successful Applicant in respect of the next phase (the end of Phase 1 is RIBA stage 2 please see Appendix 1).
- 2.4 Following phase 1 (to end of RIBA Stage 2), there is a gateway for Cabinet (Station Approach) Committee to approve the completion of phase 1 (to end of RIBA Stage 2) and agree to proceed to phase 2 Development of Design to planning application (RIBA Stage 3). The project phases are set out in Appendix 1 of this report.
- 2.5 As recommended by RIBA Competitions Office for this procurement process, and as set out in the tender documents, all of the tenderers who attended the interviews will be awarded an honorarium of £3,000 as agreed by Cabinet at their meeting on 17 October 2016 (CAB2852). This honorarium formed part of RIBA Competitions Office fee proposal and is therefore already committed and accounted for within the existing Station Approach budget.
- 2.6 No decisions have been made about whether or how any emerging scheme would be delivered and / or funded. This project stage is limited to undertaking a design process to test whether an acceptable scheme can be achieved, what this would look like, and to assess what implications it would have and what benefits it could deliver. Further consideration will be given, in full consultation with stakeholders, about how an acceptable scheme could be taken forward.
- 2.7 Delays to the project may have an impact on the Council's application for funding from the Enterprise M3 Local Enterprise Partnership for supporting public realm improvements and the timing of potential future income streams to the Council resulting from the project.

### 3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The procurement of a design team was undertaken using an EU compliant process under the Public Contract Regulations 2015 and was managed by the RIBA Competitions Office, as detailed in Section 10 of this report. Advice on procurement was sought throughout the process from Anthony Collins Solicitors LLP.
- 3.2 If Cabinet (Station Approach) Committee resolve to award the contract to the

highest scoring tenderer, the Council will be required to notify the decision to award the contract as required by Regulation 86 of the Public Contract Regulations 2015, and thereafter to observe the standstill period. Until the standstill period has elapsed without legal challenge being made, the Council is prohibited from entering into the contract.

#### 4 WORKFORCE IMPLICATIONS

- 4.1 Resourcing for this programme is currently under review, but resourcing has been allocated via RIBA advisors to date, and project office supporting this project as a whole.

#### 5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 The progression of these schemes will impact on existing public car parking and some areas of leased car parking which will need to be carefully managed as part of the overall car parking strategy.
- 5.2 The development process will have to be agreed by Cabinet and one of the options to be considered could be the retention or acquisition of the commercial and parking development eventually built on the site for investment purposes.

#### 6 CONSULTATION AND COMMUNICATION

- 6.1 The proposed new governance structure for the project was set out in section 13 of CAB2864 Report for 20 March 2017 and summarised in Appendix 3 of this report. This envisaged a role for an Advisory Panel including a representative selected by Cabinet, a local Ward Member, the BID and City of Winchester Trust to act as a source of advice and feedback throughout the process. The Advisory Panel were also involved in the interview process and attended the interviews, asked questions for clarification and shared their opinions with the Evaluation Board.

- 6.2 The membership of the Advisory Panel is set out below:

Station Approach Advisory Panel:

- Representative selected by Cabinet: Cllr Eileen Berry
- Ward Councillor Representative: Cllr Hiscock
- Winchester BID Representative: Joe Harvey
- City of Winchester Trust Representative: Keith Leaman
- HCC Property Services Representative: Steve Clow

- 6.3 Continuing engagement is important. The Design Team's brief stipulates that stakeholder engagement must take place as part of the design process and stakeholder engagement was a key consideration in the appointment of a

Design Team to ensure they have the skills and experience to carry out thorough and effective engagement throughout all stages of the design process.

- 6.4 During the tender process Tenderers were asked to develop a strategy for engagement with local residents and the general public including a clear methodology for buy in and support from key groups via high quality innovative methods, and a process for review of the information gained through engagement, for discussion with the Council. Tenderers were also asked to identify key issues and provide details of their approach to resolving any conflicting priorities that might arise, and provide examples of how they have previously incorporated stakeholder feedback into design successfully.
- 6.5 The Design Team will begin engagement with relevant groups including businesses, potential occupiers, residents and partners at the beginning of the project to ensure input from all stakeholders is considered and incorporated into the disposition of uses, improvements to the public realm and the design for the Carfax site. Particular consideration will be given to issues such as transport, air quality, accessibility and public realm which have been raised as important in previous engagement processes.

## 7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 The Executive Director for WinACC has reviewed this report. Environmental considerations were a consideration of the tender evaluation and tenderers were required to propose a process for developing the brief, design approach and scheme proposals including a sustainability agenda that is appropriate to the Council's aims and aspirations including the objective of contributing to achieving the Council's objectives to build a low carbon economy as set out in the Brief and which sets out and illustrates how the building solutions will meet the Council's objective of achieving a BREEAM excellent standard as a minimum. BREEAM outstanding standard is the aspiration.
- 7.2 The BREEAM method of assessing the building design and impacts will be used to measure and test the designs as they evolve. The intention is to aim for the 'Outstanding' rating as per the Council's Local Plan policy. This will need to be tested as the design progresses in order to determine the impact this might have on the design and the associated constructions costs.
- 7.3 Station Approach is located within the designated Air Quality Management Area. The Design Brief stipulates that air quality impacts will need to be carefully considered, specifically in relation to the main traffic junctions and adjoining streets. In relation to the aesthetics and landscape quality of the area, the Council seek to ensure important trees are retained and new planting areas created where space and practical considerations allow.
- 7.4 As agreed in CAB2864 Report for 20 March 2017, i-Transport (a Hampshire based transport consultancy) will be retained to ascertain and test the traffic

and transport impact of the new designs as they evolve. This will also have reference to air quality issues and actions to mitigate the impact and improve the situation where possible will be considered.

- 7.5 I-transport has completed a preliminary transport impact assessment, which assesses the potential traffic and parking impacts of the redevelopment scheme for the Carfax and Cattlemarket sites for a mixed use development consisting of new homes, office and retail uses. This includes impacts from other known developments at Barton Farm and the likely impacts from a Central Winchester Regeneration development and a new Leisure Centre.
- 7.6 This preliminary assessment indicates that there are existing issues with the capacity and operation of the highway network which will need to be considered; the assessment will be refined as the new designs are formulated and tested. There are opportunities to do this in conjunction with the County Council as part of the wider Winchester City Study and Transport Strategy.

## 8 EQUALITY IMPACT ASSESSMENT

- 8.1 A screening assessment has not been undertaken at this stage.

## 9 RISK MANAGEMENT

- 9.1 A project risk register is maintained by the project manager and reviewed and updated regularly by the project team.

## 10 SUPPORTING INFORMATION:

### Background

- 10.1 At its meeting of 19 October 2016 (CAB2852), Cabinet agreed to use the services of the RIBA Competitions Office to procure an architectural practice or design team to work with the Council.
- 10.2 The RIBA Competitions Office was subsequently appointed and worked with the Council on the procurement process and documentation. At its meeting of 20 March 2017 (CAB2864), Cabinet authorised the Evaluation Board, with advice from the Advisory Panel, to undertake the selection process and gave delegated authority to the Assistant Director (Estates and Regeneration), as the lead officer of the Evaluation Board, to recommend a design team to the newly appointed Cabinet Committee in accordance with the procurement process and associated evaluation criteria. This recommendation is set out in paragraph 11.8 of this report.

### Standard Selection Questionnaire

- 10.3 The first stage in the process was the evaluation of the Standard Selection Questionnaire. This was a technical review with self-certification questions, pass/fail criteria and two questions on relevant experience and contract examples. The procurement documentation was available on the RIBA portal, on Contracts Finder and was also advertised on South East Business Portal from 30 March 2017.
- 10.4 Fourteen completed Standard Selection Questionnaires from potential suppliers were received in response to the advertisement of the opportunity. Following an assessment by the Evaluation Board of the two questions on relevant experience and contract examples and assessment of the self-certification questions, pass/fail criteria, the potential suppliers were shortlisted down to five, as advertised in the tender documentation. The five shortlisted potential suppliers were then invited to continue to the next phase of procurement (the Invitation to Tender).

#### Invitation to tender (ITT)

- 10.5 The five shortlisted potential suppliers were invited to submit written representations in response to the requirements set out in the tender invitation provided with the other procurement documentation at the start of the process.
- 10.6 Following the submission of the tenders, the Evaluation Board scored the quality requirements and the financial information was assessed. The evaluation is weighted 70% overall score for quality aspects and 30% for price to reflect the importance of quality in the evaluation of the tenders.

#### Evaluation Results

- 10.7 The five shortlisted tenderers then attended an interview at which the Evaluation Board and Advisory Panel were present. Tenderers were asked to bring up to six key members of the team to attend the interview; the ITT set out that these key members should be those who will be responsible for the day to day delivery of the project if successful. Following the interviews and discussions with the Advisory Panel, the Evaluation Board then moderated the scores in accordance with the agreed procurement process. After the Evaluation Board scores were brought together with the fee scores the highest scoring tenderer was identified as having the highest total score. The highest scoring tenderer is the tenderer who was awarded the highest overall score. They also achieved the highest quality score by the Evaluation Board and the second highest score for fees, and was also well received by the Advisory Panel who provided advice to the Evaluation Board during the procurement process.
- 10.8 **The Evaluation Board are therefore recommending that the highest scoring tenderer be appointed as the Design Team for Station Approach as detailed in the exempt Appendix 5.**

- 10.9 The highest scoring tenderer will be responsible for providing or procuring all design services required (apart from transport consultants, quantity surveyors and commercial consultants who will be appointed separately as set out in CAB2864)

#### Next Steps

- 10.10 Subject to a decision by the Cabinet (Station Approach) Committee to appoint the highest scoring tenderer, the next steps would involve the notification of the outcome of the competition and the completion of the appointment of the highest scoring tenderer, and the initiation of phase 1 (to end of RIBA Stage 2) of the project and development of the Strategic Outline Case.
- 10.11 There will be a gateway decision after each phase to agree the deliverables for the phase; for phase 1 (to end of RIBA Stage 2) this is primarily the concept design. Project phases and gateways are detailed in Appendix 1 and 2 of this report.

#### 11 OTHER OPTIONS CONSIDERED AND REJECTED

- 11.1 This report is for Cabinet (Station Approach) Committee to consider the Evaluation Boards recommendation following the EU compliant process under the Public Contract Regulations 2015, managed by the RIBA Competitions Office. In the preparation of this report, the option of not recommending the highest scoring tenderer to Cabinet (Station Approach) Committee has been considered, which would result in the Council starting the procurement process afresh, but given the high quality of the tenders received and the fee proposals submitted and evaluated, this option has been discounted and the highest scoring tenderer is being recommended.

#### BACKGROUND DOCUMENTS:-

##### Previous Committee Reports:-

CAB2864 - Station Approach – RIBA Plan of Works Stages Documentation – 20 March 2017

OS157 - Station Approach – End Stage review report for the competitive dialogue process - 30 November 2016

CAB2852 - Station Approach - Procurement Process Update – 17 October 2016

CAB2829 – Station Approach - The Way Forward – 7 September 2016

##### Other Background Documents:-

None



APPENDICES:

Appendix 1: Project Programme





Appendix 2: Project Phases and Business Case Stages

Appendix 3: Governance Structure

Appendix 4: Delegated authority

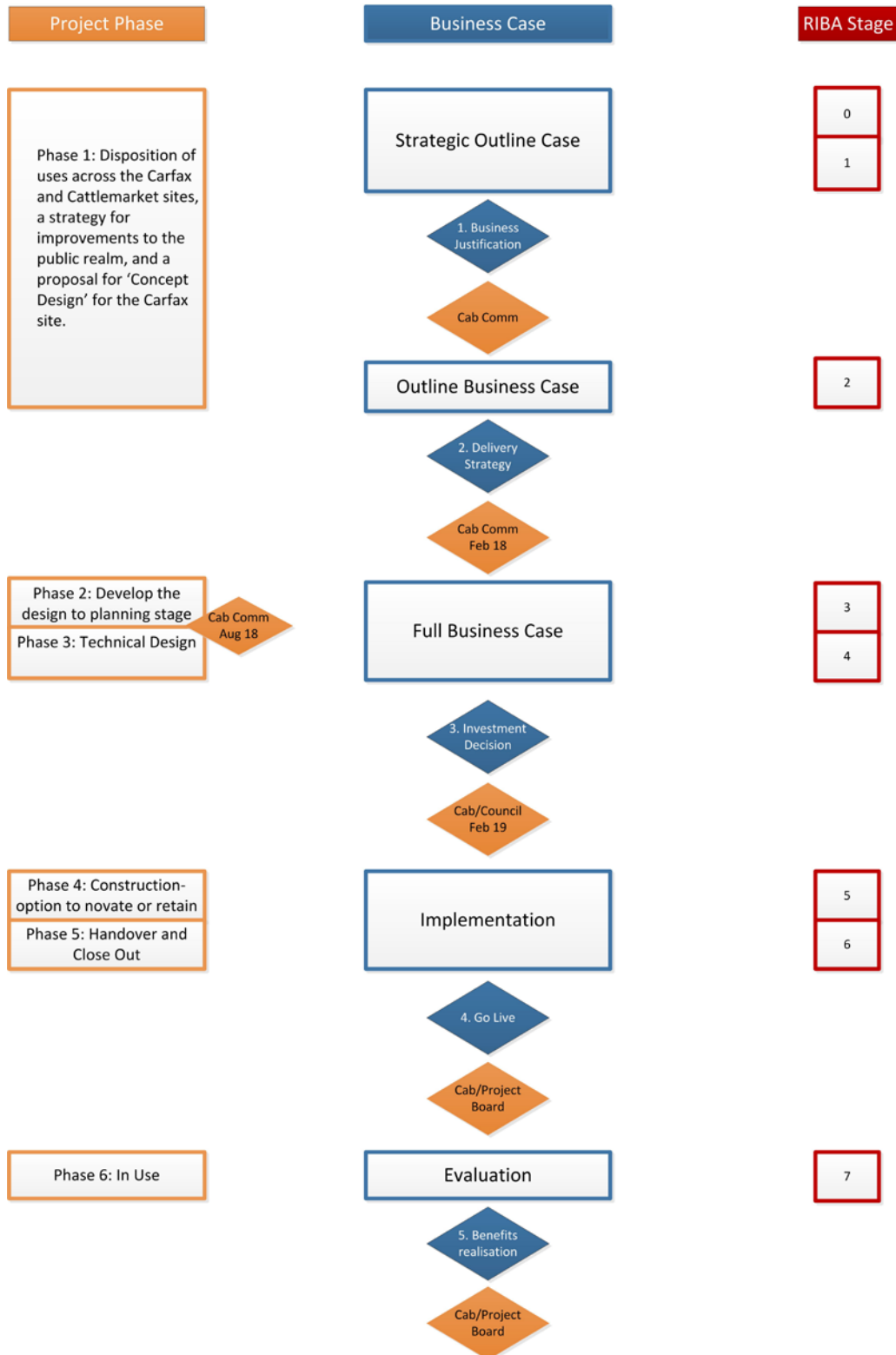
Exempt Appendix 5: Procurement Report

## Appendix 1: Project Programme

<i>Project Phase</i>	<i>Task and estimated time required</i>	<i>Gateway</i>	<i>Estimated Start</i>
<b>Phase 1</b> 	Disposition of uses, public realm strategy and Concept Designs for Carfax - 4 months - 6 weeks for economic and financial appraisals		<b>Aug 17</b>
<b>Gateway</b>	<b>Approval of Phase 1 deliverables and Agreement to proceed to Phase 2</b>	<b>Cabinet (SA) Committee approval</b>	<b>Feb 18</b>
<b>Phase 2</b> 	Development of Design to planning application - 6 months		
<b>Gateway</b>	<b>Approval of Phase 2 deliverables and Agreement to proceed to Phase 3</b>	<b>Cabinet (SA) Committee approval</b>	<b>Aug 18</b>
	<b>Grant of Planning Permission</b>	<b>Planning Committee</b>	<b>Nov 18</b>
<b>Phase 3</b> 	Technical Design - 3-5 months depending on route - 1 month - for economic and financial appraisals		
<b>Gateway</b>	<b>Approval of Phase 3 deliverables, consideration of all options available for how and who might take the scheme forward, agreement to proceed to Phase 4</b>	<b>Cabinet (SA) Committee approval</b>	<b>Feb 19</b>
<b>Phase 4</b> 	- 2 month tender period <b>Construction Start</b> -1.5 to 2 years  Tenant Leases - Building agreement and leases signed		<b>Apr 19</b>  Apr 18 to Jan 19

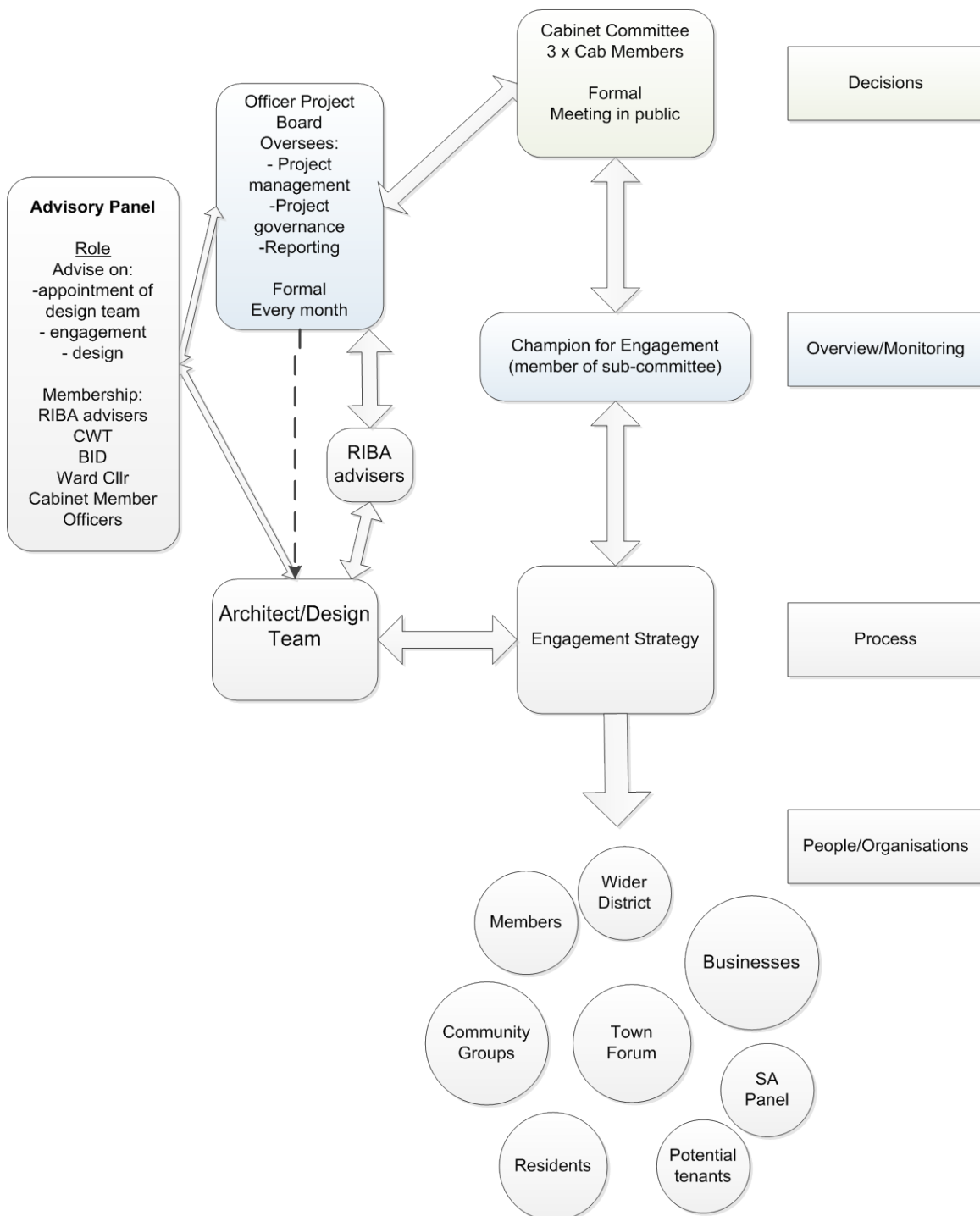
Appendix 2: Project Phases & Business Case Stages, and association with RIBA stages

The Station Approach Business Justification Case and supporting Evidence of Need was approved by Cabinet at their meeting of 20 March 2017. As authorised by Cabinet, the Business Case will be developed following the Government’s Green Book Five Case Model and will follow the process set out below.



Appendix 3: Governance Structure - Exert from Section 13 of CAB2864

A Station Approach Advisory Panel is proposed to provide ongoing input into both the procurement of the architect (as described in Section 3 of CAB2864) and the development of the design leading up to the submission of a planning application. The Advisory Panel will comprise of the Cabinet Member for Estates, a ward Councillor, a representative of the City of Winchester Trust and a representative of the Business Improvement District. In addition to the comprehensive engagement with all residents and stakeholders, led by the architect, the Advisory Panel will provide a sounding board and critical friend for the design team. A lead Member for engagement is also proposed to oversee this process.



#### Appendix 4 Delegated authority

##### CABINET - 20 March 2017

##### CAB2864 Station Approach – RIBA Plan of Works Stages Documentation

Cabinet resolved (i.a.):

- That the Station Approach Business Justification Case and supporting Evidence of Need be approved and the project to develop an outline business case be authorised and proceed to the next RIBA stage (RIBA Stage 2).
- That the Evaluation Board be authorised, with advice from the Advisory Panel, to undertake the selection process and gives delegated authority to the Assistant Director (Estates and Regeneration), as the lead officer of the Evaluation Board, to recommend a design team to the newly appointed Cabinet Committee in accordance with the procurement process and associated evaluation criteria.
- That the Assistant Director (Estates and Regeneration) be authorised to retain the services of i-Transport, Mace and Vail Williams throughout the design stages of the project to provide professional advice on the emerging design in relation to transport assessment, cost consultancy and commercial and valuation advice under Contract Procedure Rule 2.4(a).
- That the Assistant Director (Estates and Regeneration) be authorised to procure other technical and professional services required to support the project within the existing budget for Station Approach as part of the procurement of the architectural services.

##### COUNCIL – 02 November 2016

##### CAB2852 Station Approach – Procurement Process Update

Council resolved (i.a.):

- That budget provision of £1.5 million be made for the commissioning of the necessary design work and other professional services to progress work on station approach, incorporating the development of the Carfax site and preparation of a public realm strategy.