

## Draft ITPD evaluation criteria and questions

### Summary of evaluation criteria

ITPD Evaluation Criteria					
Evaluation Criteria	Section	Weighting	Evaluation Sub-criteria		Weighting
<b>Quality</b>	<b>70%</b>	1. Approach	45%	Approach to delivering a mixed-use quarter	10%
				Approach to high quality public realm and placemaking	10%
				Approach to engagement	10%
				Approach to sustainability	10%
				Approach to meanwhile uses	5%
	2. Planning	10%	Planning Strategy	10%	
3. Team	15%	Deployment of Core Team	10%		
		Partnering and Procurement	5%		
<b>Commercial 30%</b>	4. Market	7.5%	Market understanding	7.5%	
	5. Finance	12.5%	Financial	12.5%	
	6. Legal	10%	Legal	10%	

### Proposed scoring matrix

Score	Meaning
10	Exceptional - A response that exceeds the minimum requirements as set out within the question by providing evidence of two or more items of significant added value, and is fully aligned to the overall Investment Objectives.
8	Very Good - A response that exceeds the minimum requirements as set out within the question by providing evidence of one item of added value, and is fully aligned to the overall Investment Objectives.
6	Good - A response that fully meets the minimum requirements as set out within the question with no reservations that reflect no risk to the overall delivery of the Investment Objectives.
4	Adequate - A response that meets the majority of the minimum requirements as set out within the question but with isolated/minimal reservations or omissions that represent a minimal risk to the overall delivery of the Investment Objectives.
2	Poor - A response that meets a limited number of the minimum requirements as set out within the question with a number of concerns or omissions that are considered to be of significant risk to the overall delivery of the Investment Objectives (including a "material inconsistency").
0	Unacceptable - A response that fails to meet the minimum requirements as set out in the question with fundamental concerns or omissions and a response that has no consideration of the overall Investment Objectives (including a "material inconsistency").

Scoring matrix to be read in conjunction with the Investment Objectives as set out at 4.2 of the Development Brief (Document 4). The scoring above will factor in the consistency between the Quality answers and Commercial answers as referred to in Q2 (Planning), Q4 (Market) and Q5 Part B (Structure and Finance), such that a "material inconsistency" will be taken into account.

### Please Note the following:

1. In addressing the Quality Questions, Bidders are not required to undertake or submit designs as part of their responses. The extent to which materials of a design nature may support the dialogue discussions and any presentations will be discussed with Bidders in an early stage of dialogue.
2. In addressing the Quality and Financial Questions, please ensure that your answers are aligned and that the approach or solution you put forward under a Quality question is then reflected in how you make your commercial offer (and vice versa). The extent to which there is material inconsistency will be taken into account as referenced under the scoring matrix.

## Quality

### 1. Approach (45%)

SECTION – Approach	WEIGHTING
<p><b>Approach to delivering the mixed-use quarter</b></p> <p>In no more than 2,500 words please describe how you would approach the delivery of the Central Winchester Regeneration vision and investment objectives in practical terms. This should address, but not be limited to:</p> <ul style="list-style-type: none"> <li>➤ Your concept for realising the vision for the development site and the aims and objectives of the Council;</li> <li>➤ How you will enable the site for development;</li> <li>➤ Please provide your evidence-based assessment of three key things which could be done to optimise the existing development proposal. (Note these elements should not be included within the financial submission unless they relate to the uses already included within the Phase 1 case study).</li> <li>➤ How you will protect and maintain the long-term vision for the development site throughout the delivery of each phase of the project;</li> <li>➤ Your approach to contingency planning including the mitigation of delays to the project;</li> <li>➤ Your approach to ensuring overall viability; and</li> <li>➤ How your approach to the scheme will (as appropriately as possible) replace the revenue loss to the Council from existing occupiers. Please outline possible solutions. (Note these elements should not be included within the financial submission unless they relate to the uses already included within the Phase 1 case study).</li> </ul> <p><i>As a minimum requirement Bidders should address all of the above bullet points.</i></p>	10%
<p><b>Approach to high quality public realm and placemaking</b></p> <p>In no more than 2,000 words, please describe your approach to developing scheme proposals for the development site as a whole. This should address, but not be limited to:</p> <ul style="list-style-type: none"> <li>➤ How you will ensure exemplary design quality across the development site’s uses, phases and public realm;</li> <li>➤ Your approach to ensuring that the special qualities found in the heart of Winchester are preserved and enhanced, ensuring that the development is compatible with the City’s historic and natural character;</li> <li>➤ How your approach will support a vibrant retail, cultural and heritage offer;</li> <li>➤ Your approach to the preservation of archaeology on site;</li> <li>➤ Your approach to ensuring increased permeability and accessibility throughout the site; and</li> </ul>	10%

- Your approach to the long term estate management of the whole site over time including the approach to activation and curation of the ground floor.

*As a minimum requirement the Bidder should be able to address all of the above with reference to the SPD, the Winchester Public Realm Strategy Report 2020, and the Winchester High Quality Places SPD.*

### **Approach to engagement**

10%

In no more than 1,500 words please detail your approach to:

- Meaningful engagement with stakeholders (articulating your assessment of who the stakeholders in this scheme will be and why they are important);
- Community engagement throughout the development process;
- Engaging and working with transport stakeholders to ensure the optimal public transport and bus solution is secured for the site; and
- Engaging and working with neighbouring land owners, as outlined in section 5.3 and 7 of the Development Brief.

*As a minimum requirement the Bidder should be able to clearly address all of the above bullet points.*

### **Approach to Sustainability**

10%

In no more than 1,500 words, please describe your approach to delivering a best-in-class sustainable development. This should address, but not be limited to:

- Your understanding of the Council's sustainability commitments and your approach to ensuring that the development will align with and achieve the stated objectives;
- How you will ensure principles of sustainable development are incorporated in the design and delivery;
- Your approach to net zero carbon, circular economy and the enhancement of biodiversity;
- Your approach to the delivery of sustainable modes of travel;
- Your approach to achieving building accreditations such as, but not limited to, BREEAM and Passivhaus; and
- Your approach to ensuring the long-term improvement of the economic, social and environmental wellbeing of the area and the City; and

*As a minimum requirement Bidders should address all of the above bullet points above with reference to the SPD and the Council's Green Economic Development Strategy.*

### **Approach to meanwhile uses**

5%

In no more than 1,000 words, please describe your approach to incorporating meanwhile uses into the development of the site in accordance and coordination with the development phasing. This should address, but not be limited to:

- Your approach to early activation of the site through the delivery of meanwhile uses;
- How you will ensure your meanwhile use strategy delivers benefits to address short term need but also constructs a longer term legacy for the development site; and

*As a minimum requirement Bidders should address all of the above bullet points. Note, Bidders are not asked to make financial proposals in the regard.*

**OVERALL WEIGHTING FOR THIS SECTION**

45%

## **2. Planning (10%)**

The responses to the questions below should articulate a Bidder's approach to create a high-quality environment, amenity and buildings across all uses.

SECTION – Planning	WEIGHTING
<b>Planning Strategy</b>	10%
<p>The chosen developer will be required to work with the Council to produce overall scheme proposals for the Site prior to securing an outline planning permission for the development site and a detailed planning permission for the first phase of development. The developer is required to adopt a clear planning strategy, underpinned by a collaborative approach towards design development, demonstrating innovation, flexibility and in accordance with the SPD.</p> <p>With this in mind and in no more than 2,000 words please:</p> <ul style="list-style-type: none"><li>➤ Describe your proposed planning strategy for the site, including how you would approach the preparation and submission of a planning application(s) and associated planning and highways agreements;</li><li>➤ Please explain how your planning strategy will enable you to secure consents on future phases of development and how you will seek to optimise the development proposals through the planning process; and</li><li>➤ Please highlight how you would mitigate any potential planning risk.</li></ul> <p><i>As a minimum requirement the Bidder should be able to address all of the above bullet points and how responses align with the Council's objectives and the SPD.</i></p>	
<b>OVERALL WEIGHTING FOR THIS SECTION</b>	<b>10%</b>

### 3. Team (15%)

The Council is seeking a Bid which will involve the deployment of an appropriate team resource to deliver the development.

Bidders should demonstrate a commitment and capacity across the team to provide the "key roles" as set out in Section 5 of the Development Brief.

SECTION – Team	WEIGHTING
<b>Deployment of Core Team</b>	10%
<p>Please provide details of the core team that will be assigned to the Project, demonstrating a coherent approach to resourcing the Project throughout, including interface with the Council and potential funders. This response should articulate a full appreciation of the roles required in a long-term development project of this nature and therefore may include a lead designer (urban design, landscape or architect), engineers, sustainability consultant and community engagement consultant (or resourced internally). This answer should include, but not be limited to:</p> <p>Define key roles, responsibilities and why they have been chosen to fulfil those roles (5%):</p> <ul style="list-style-type: none"><li>➤ One A3 page size organogram setting out your team structure and key personnel for all stages of the Project. This response should include each team member's role and responsibilities;</li><li>➤ Please provide CVs for all key personnel using the template found at <a href="#">appendix X</a>. Please ensure that CVs are submitted for the following roles:<ul style="list-style-type: none"><li>○ Accountable Senior Executive with oversight (Board level Project Sponsor)</li><li>○ Project Director (if different from above)</li></ul></li></ul>	

- Project Manager (manages day to day responsibility)
- Technical Director / Lead (planning, design, sustainability and construction methods)
- Commercial Director / Lead (market, viability and product)
- Relationship Manager (if different from any of the above)
- Lead Architect

- Please explain how named firms and individuals have been identified and will be deployed in long term roles recognising that the Council is looking for a high quality team to be embedded upfront and retained.

In no more than 1,000 words please provide (5%):

- Details of your processes for undertaking ongoing management throughout the project to deliver a consistently high quality service and continuity of resource;
- Clear demonstration of how the time of the individuals named above will be committed / guaranteed throughout;
- Clear demonstration of your succession planning should named individuals leave during the life of the Project; and
- Details of your client engagement process to ensure effective communication, governance and accountability, to be upheld throughout the Project.

*As a minimum requirement the Bidder must demonstrate the deployment and retention of a core team that has the expertise and Competence necessary to undertake the "key roles" as set out in Section 5 of the Development Brief.*

#### **Partnering and Procurement**

5%

The Council are looking to secure a development partner for the delivery of the whole development site. Please demonstrate how you would manage—your obligations and relationships. In no more than 1,000 words;

- Please articulate your approach to delivering the development in partnership with the Council, as a public sector organisation;
- Please articulate your approach to procuring contractors and other significant members of your supply chain (including professionals) to deliver value for money and how you will ensure their shared commitments to the Council's regeneration vision and investment objectives;
- Please articulate your approach to the appointment of other architects, noting the SPD's preference for the involvement of multiple practices; and
- Please articulate your approach to ensuring that best practice is embedded in your approach (including but not limited to sustainability, diversity and inclusion, modern slavery, use of SMEs, and other social value imperatives).

*As a minimum requirement your Bid should be able to address all of the above bullet points, ensuring alignment with the Development Brief.*

**OVERALL WEIGHTING FOR THIS SECTION**

15%

#### **Commercial questions**

#### **4. Market (7.5%)**

SECTION – Market	WEIGHTING
<p><b>Market understanding</b></p> <p>Attracting appropriate occupiers to the development site is crucial for the successful delivery of the Council’s vision and investment objectives. In no more than 2,000 words:</p> <ul style="list-style-type: none"> <li>➤ Your evidenced-based assessment of the appropriate mix of space to be delivered as a ‘creative quarter’ and the target end users;</li> <li>➤ Your evidence-based assessment of the appropriate mix of ground floor tenants to act as ‘activators’ for the site and view on market demand;</li> <li>➤ Your evidence-based assessment of the appropriate mix of residential products;</li> <li>➤ Your approach to marketing and letting of the commercial space; and,</li> <li>➤ How this market assessment impacts on your proposals for delivery.</li> </ul> <p><b>In assessing the response, the extent to which your response is consistent with the Quality responses and the Financial responses in question 5 will be taken into account, and any material inconsistency will be negatively scored.</b></p> <p><i>As a minimum requirement your Bid should be able to address of the above bullet points with regard to the Vision for the development site and the investment objectives, as well as the factors identified in the Development Brief and SPD that have a bearing.</i></p>	7.5%
<b>TOTAL SCORE AVAILABLE FOR SECTION</b>	<b>7.5%</b>

## 5. Financial (12.5%)

SECTION – Financial	WEIGHTING
<p><b>Financial</b></p> <p>Please use the Excel document titled ‘Financial Template’ to complete the worked example. The financial template completed at Part A acts as a case study to test bidders on their assumptions for a hypothetical phase 1 development. By completing this template Bidders are not committing to deliver this mix of phase 1 uses and this does not constitute a land payment offer. This case study will be used as a hypothetical test to understand each bidders’ approach to maximising the residual land value.</p> <p>The following bidder inputs to the Financial Template will, however, form part of a Bidders offer and will be fixed as part of the development agreement:</p> <ul style="list-style-type: none"> <li>• Profit (% on cost or GDV) levels required for different use types / tenures</li> <li>• Development Management Fee (% of cost or GDV)</li> </ul> <p><b>Part A (7%)</b></p> <ul style="list-style-type: none"> <li>• Bidders are asked to make their financial submission by completing the Financial Template provided (using the MS Excel workbook located within the procurement portal) based on the instructions contained within it, and the following guidance.</li> <li>• The financial assessment is based on the delivery of the first phase of the scheme as detailed in the Arup Development Proposals area schedule which forms part of the Bidder information pack.</li> <li>• The accommodation schedule for the first phase of the scheme has been included in the “Phase 1 Assumptions” tab with total development quantum expressed as Gross internal Areas (GIAs) for each use class. Bidders are to use this tab to populate the accommodation schedules by allocating their breakdown of type, tenure and use from these totals to demonstrate their proposed first phase scheme on the site.</li> </ul>	12.5%

- It should be noted that Bidders cannot change the total GIA, they should simply allocate their uses based on these totals
- Bidders should then include their underlying assumptions within the “Phase 1 Assumptions” sheet including costs, income, sales rate, values, timescales, development management fee, finance rate, contingency and profit as per the relevant tables in the worksheet
- These entries should then be used as the basis to complete the Phase 1 Appraisal worksheet which will establish a case study land value for the Phase 1 scheme.
- Finally bidders should input the timing of the Phase 1 payment on the Residual Land Value sheet. These are then discounted to establish the Overall Financial impact (OFI) of the case study residual land value that is used for the evaluation of Bidders’ financial submissions for this question

### Part A – Scoring Approach

The calculation of the score for the OFI will be carried out as follows.

The bid submission OFI and the highest tendered OFI submitted are used as reference points. The individual Bidder’s OFI is divided by highest OFI submitted and then multiplied by the percentage weighting allocated to this question (7%).

The highest OFI will receive the maximum percentage score available. Remaining OFIs will then be scored relative to the highest OFI offer which will be as per the following formula:

$$\frac{\text{Bidder's submitted OFI}}{\text{Highest submitted OFI}} \times \text{Maximum available score (7\%)}$$

The Price evaluation carries 7% of the overall marks and, for example, if there are four tenders received to be evaluated which are priced at £15,000,000, £30,000,000, £23,000,000 and £32,000,000 scores would be as in the following table:

	<b>Tenderer A</b>	<b>Tenderer B</b>	<b>Tenderer C</b>	<b>Tenderer D</b>
Total Bid Price	£15,000,000	£30,000,000	£23,000,000	£32,000,000
<b>Score out of 7%</b>	<b>3.28%</b>	<b>6.56%</b>	<b>5.03%</b>	<b>7.00%</b>

Bidder D is the highest (£32,000,000) and thus would score the maximum 7.00% points. The other Bidders would be marked as per the table.

The above example is for illustrative purposes only and all scores have been rounded to two (2) decimal places (as will be the case for the Bidders’ scores).

### Part B (5.5%)

In no more than 4,000 words, Bidders are asked to provide a commercial narrative that provides justification and evidence to support the assumptions included in their completed Financial Template in answer to PART A.

- The narrative should include but not necessarily be limited to the following aspects of your Financial Template:
  - The development, construction and sales phases of the phase 1 case study
  - Estimated scheme revenues. These should be broken down by use type and tenure mix. They should show the detailed assumptions behind the information included in the Financial Template;
  - Comparable evidence and analysis to demonstrate that the revenue assumptions adopted for sales rates, capital values, rentals, incentive packages and investment yield across all relevant property sectors are robust and

achievable;

- Development specification, cost plan and disposal strategy for the scheme
  - Details of other development cost assumptions along with rationale for their adoption including:
    - Contingency rates;
    - Development management fees;
    - Profit rates; and
    - Finance costs and interest rate assumptions, including peak funding requirements;
  - As part of the submission Bidders should identify the key delivery risks within the proposal.
  - Identification of funding requirements and timings for the successful delivery of the scheme; and
- Bidders should detail the research they have undertaken, including references to their own market analysis and third party evidence for all assumptions included in the template.

**In assessing the response, the extent to which the Part A & B response is consistent with the Quality responses will be taken into account, and any material inconsistency will be negatively scored.**

**Tenderers should note that at Final Tender stage, this question will have a threshold score of 4. A Tenderer who scores less than a 4 in this question at Final Tender stage will be disqualified and excluded from any further participation in this procurement process.**

TOTAL SCORE AVAILABLE FOR SECTION

12.5%

## 6. Legal (10%)

### SECTION – Legal

WEIGHTING

#### Legal

10%

Having regard to the Commercial Principles Paper, please provide the following:

- Please provide a clean copy and a comparison mark-up with accompanying explanatory commentary on commercial and legal principles contained within the Key Commercial Principles document;
- Please provide a clean copy and a comparison mark-up with accompanying explanatory commentary on commercial and legal principles contained within the draft Development Agreement;
- Please indicate which elements of your proposals (as outlined in your responses to the questions above) you would be prepared to commit to contractually and, where appropriate, how this commitment will be secured e.g., by guarantee. (Note, as per the Financial question, Bidders inputs for profit and development management fees will be fixed in the Development Agreement);
- Please highlight any major risks or concerns over your ability to deliver any of your responses as contractual commitments;
- Please include any proposals which, for the Council, may be a beneficial change to the Key Commercial Principles or Development Agreement; and
- Please indicate how you intend to contract with the Council (directly, via SPV or specify alternative).

Bidders responses to this question should be consistent with their Quality and Commercial submission (Question 5 – Finance and Structuring).

*Bidders will be evaluated on the basis as to whether the proposed change will be beneficial to the Council in terms of transfer of risk from the Council to the developer in relation to the significant provisions as listed in the draft Key Commercial Principles document.*

TOTAL SCORE AVAILABLE FOR SECTION

10%

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