

## APPENDIX Cii – FINAL TENDER EVALUATION QUESTIONS AND SCORING CRITERIA

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### PART A: QUALITY

#### 1. Approach

QUESTION 1 – APPROACH	WEIGHTING
<b>OVERALL WEIGHTING FOR THIS QUESTION</b>	<b>45%</b>
<b>QUESTION 1.A - Approach to delivering the mixed-use quarter</b>	<b>10%</b>
<p>In no more than 10 A4 Pages (please see definition in the Appendix) 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 Investment 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).</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).</li> </ul> <p><i>As a minimum requirement Bidders should address all of the above bullet points.</i></p>	
<b>QUESTION 1.B - Approach to high quality public realm and placemaking</b>	<b>10%</b>

In no more than 8 A4 Pages, please describe your approach to developing scheme proposals for the development site as a whole. This should address, but not be limited to:

- How you will ensure exemplary design quality across the development site's uses, phases and public realm;
- 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;
- How your approach will support a vibrant retail, cultural and heritage offer;
- Your approach to the preservation of archaeology on site;
- Your approach to ensuring increased permeability and accessibility throughout the site; and
- 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.*

**QUESTION 1.C - Approach to engagement**

10%

In no more than 8 A4 Pages 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.*

**QUESTION 1.D - Approach to Sustainability**

10%

In no more than 8 A4 Pages, 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.*

#### **QUESTION 1.E - Approach to meanwhile uses**

5%

In no more than 4 A4 Pages, 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.*

## **2. Planning**

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

### **QUESTION 2 - PLANNING**

**WEIGHTING**

**OVERALL WEIGHTING FOR THIS QUESTION** **10%**

**QUESTION 2 - Planning Strategy** **10%**

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.

With this in mind and in no more than 8 A4 Pages please:

- 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;
- 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
- Please highlight how you would mitigate any potential planning risk.

*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.*

### **3. Team**

*The Council is seeking a Final Tender 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.*

**QUESTION 3 – TEAM** **WEIGHTING**

**OVERALL WEIGHTING FOR THIS QUESTION** **15%**

**QUESTION 3.A - Deployment of Core Team** **10%**

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:

Define key roles, responsibilities and why they have been chosen to fulfil those roles (5%):

- 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;
- Please provide CVs for all key personnel using the template below. Please ensure that CVs are submitted for the following roles and are no more than 1 A4 Page per CV:
  - Accountable Senior Executive with oversight (Board level Project Sponsor)
  - Project Director (if different from above)
  - 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

*CV Template:*

<i>Name:</i>	
<i>Job title:</i>	
<i>Relevant qualifications:</i>	
<i>Roles and responsibilities (specific to CWR):</i>	
<i>Why this individual has been chosen for this role?</i>	
<i>Selection of relevant experience:</i>	

- In no more than 2 A4 Pages, 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 4 A4 Pages, 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 any 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.*

### **QUESTION 3.B - 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 4 A4 Pages:

- 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.*

## **PART B: COMMERCIAL**

### **4. Market**

<b>QUESTION 4 - Market</b>	<b>WEIGHTING</b>
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<b>OVERALL WEIGHTING FOR THIS QUESTION</b>	<b>7.5%</b>
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<b>QUESTION 4 -Market understanding</b>	<b>7.5%</b>
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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 5 A4 Pages:

- Your evidenced-based assessment of the appropriate mix of space to be delivered as a 'creative quarter' and the target end users;
- Your evidence-based assessment of the appropriate mix of ground floor tenants to act as 'activators' for the site and view on market demand;
- Your evidence-based assessment of the appropriate mix of residential products;
- Your approach to marketing and letting of the commercial space; and,
- How this market assessment impacts on your proposals for delivery.

**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.**

*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.*

### **5. Financial**

<b>QUESTION 5 – FINANCIAL</b>	<b>WEIGHTING</b>
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<b>OVERALL WEIGHTING FOR THIS QUESTION</b>	<b>12.5%</b>
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## QUESTION 5.A - Financial submission

7%

Please use the Excel document titled 'Financial Template' (ITPD Document 4) to complete the worked example. The Financial Template completed at Part A of Question 5 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.

The following Bidder inputs to the Financial Template will, however, form part of a Bidders offer and will be fixed in the Development Agreement:

- Profit (% on cost or GDV) levels required for different use types / tenures
- Development Management Fee (% of cost or GDV)

Bidders are asked to make their financial submission by completing the Financial Template provided (using ITPD Document 4) based on the instructions contained within it, and the following guidance.

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.

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.

**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

### **QUESTION 5.A – SCORING APPROACH**

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

*The 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:*

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

*Highest submitted OFO*

*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>Bidder A</b>	<b>Bidder B</b>	<b>Bidder C</b>	<b>Bidder D</b>
<b>Total Bid Price</b>	£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).*

### **QUESTION 5.B – Commercial narrative**

5.5%

In no more than 10 A4 Pages, 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 Question 5.B.

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 submissions in respect of Question 5.A and 5.B are consistent with the Quality responses will be taken into account, and any material inconsistency will be negatively scored.**

**Bidders should note that at Final Tender stage, Question 5.B will have a threshold score of 4. A Bidder 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.**

## 6. Legal

### QUESTION 6 – LEGAL

### WEIGHTING

OVERALL WEIGHTING FOR THIS QUESTION

10%

## Question 6 - Legal

10%

Having regard to the Key Commercial Principles Paper (ITPD Document 3) and draft Development Agreement (ITPD Document 5):

- 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 Paper;
- 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 (within your mark-up and/or explanatory commentary, as appropriate) 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 questions (Question 5.A and 5.B), Bidders inputs for profit and development management fees will be fixed in the Development Agreement);
- Please highlight (within your mark-up and/or explanatory commentary, as appropriate) any major risks or concerns over your ability to deliver any of your responses as contractual commitments;
- Please include (within your mark-up and/or explanatory commentary, as appropriate) any proposals which, for the Council, may be a beneficial change to the Key Commercial Principles Paper or draft Development Agreement; and
- Please indicate (within your mark-up and/or explanatory commentary, as appropriate) how you intend to contract with the Council (directly, via SPV or specify alternative).

**Bidders responses to this question should be consistent with their submissions for the Quality Questions (Questions 1-3) and the other Commercial Questions (Questions 4-5).**

**Bidders commentary tables submitted in response to this question should use the below format.**

Number	Clause ref	Item	Narrative against amendment made and benefit and/or evidence of compliance with Key Commercial Principles document (ITPD Document 3)	Council's response
1				<i>[To be left blank for completion by Council]</i>
2				

etc				
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*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 Key Commercial Principles Paper.*

### Scoring methodology

The scoring matrix for evaluating submissions made against each of Questions 1-4 is set out at Table 3 below.

The scoring matrix for evaluating submissions made against Question 5.B is set out at Table 4 below. Evaluation of submissions made against Question 5.A will be carried out as set out in Question 5.A at Section 9 below.

The scoring matrix for evaluating the submissions made against Question 6 is set out at Table 5 below.

Please note that where answers are scored, no scores other than as stated will be given (i.e there will be no odd number or decimal/fraction marks awarded).

#### Table 3 - Scoring matrix (Questions 1-4)

*To be read in conjunction with the Investment Objectives as set out at Section 4.2 of the Development Brief (Document 4). The scoring below will factor in the consistency between the Quality answers and Commercial answers as referred to in Question 2 (Planning), Question 4 (Market) and Question 5.B (Structure and Finance), such that a “material inconsistency” will be taken into account.*

Score	Description
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”).

**Table 4 - Scoring matrix (Question 5.B)**

*Please note that evaluation of submissions made against Question 5.A will be carried out as set out in Question 5.A at Section 9 below.*

Score	Description
10	Exceptional – The justification and evidence presented provides a very high degree of confidence in the OFI assumptions and completed Financial Template, with no reservations.
8	Very Good – The justification and evidence presented provides a high degree of confidence in the OFI assumptions and completed Financial Template, with only minor reservations.
6	Good – The evidence and justification presented supports the majority of the OFI assumptions and completed Financial Template to a reasonable extent, though material reservations remain for some assumptions.
4	Adequate – The evidence and justification presented supports the majority of the OFI assumptions and completed Financial Template to a reasonable extent, though material reservations remain for some assumptions.
2	Poor – The evidence and justification presented is insufficient to support the majority of the OFI assumptions and completed Financial Template, though some are reasonably justified.
0	Unacceptable – The evidence and justification presented provides no basis to support the OFI assumptions and completed Financial Template.

**Table 5 - Scoring matrix (Question 6)**

Score	Description
10	Exceptional – Demonstration by the Bidder of its acceptance of all the material terms of the Contract and risk allocation as proposed by the Council together with suggestions (and justification) which will offer significant added value.

8	Very Good – Demonstration by the Bidder of its acceptance of the vast majority of the material terms of the Contract and risk allocation as proposed by the Council. No material deviations from the Council’s position except where the Bidder has demonstrated that there is no material detriment to the Council in its proposals.
6	Good – Demonstration by the Bidder of its acceptance of the majority of the material terms of the Contract and risk allocation as proposed by the Council. Some deviations whose cumulative effect adversely affects the Council’s position but not to a significant extent.
4	Adequate – Demonstration by the Bidder of its acceptance of some the terms of the Contract and risk allocation as proposed by the Council with material deviations that would adversely affect the Council’s position.
2	Poor – Reservations of the Bidder’s acceptance of some of the terms of the Contract and risk allocation as proposed by the Council – substantial deviations from the Council’s position that would materially adversely affect the Council’s position.
0	Unacceptable – Does not meet the requirement. Does not accept the material terms of the Contract and risk allocation as proposed by the Council – and/or the Bidder has proposed amendments which alter the risk allocation to a wholly unacceptable degree.