

REPORT TITLE: APPROVAL OF BRIEF FOR STRATEGIC DEVELOPMENT
ADVISOR

12 DECEMBER 2018

REPORT OF LEADER AND PORTFOLIO HOLDER: Cllr Caroline Horrill

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WARD(S): TOWN WARDS

PURPOSE

A strategic development advisor (SDA) is required to assist the council in the delivery of major development projects, especially Central Winchester regeneration. This advisor will be a multi-disciplinary consultancy, and they will be contracted to the council on a call-off contract arrangement. The purpose of this report is to seek approval of the Strategic Development Advisor brief, recommend a budget for the advisor to council, and to authorise further work towards the procurement of the advisor.

RECOMMENDATIONS:

That Cabinet;

1. Approves the brief for the strategic development advisor as attached at appendix A.
2. Recommends that budget of £600,000 be requested from Council to fund the role of the strategic advisor over a five year period.
3. Approves the procurement evaluation model to be based on 60% quality, 40% price.
4. Authorises the Strategic Director: Place to finalise the brief, including minor amendments, and proceed with the strategic advisor procurement as outlined in this report, in consultation with the Portfolio Holder.

IMPLICATIONS:

1 COUNCIL STRATEGY OUTCOME

- 1.1 Appointment of a SDA will contribute to the Council Strategy objectives by enhancing the environment of the area, improving the local economy, developing the sense of place and providing important community benefits.
- 1.2 The procurement of a long term strategic advisor will assist council officers and members in identifying and evaluating development options, decision making, and implementation of major council projects.
- 1.3 Developing a long term commercial relationship will give better procurement value for these services, and also enable the advisor to develop a deeper understanding of Winchester and District, our strategic aims and aspirations as a place. This will mean that their advice will be more precisely targeted and appropriate to the Winchester circumstances and environment.

2 FINANCIAL IMPLICATIONS

- 2.1 Research shows that costs associated with the services outlined in the brief are likely to be in the region of £8,000 to £10,000 per month. However the spend profile is unlikely to be smooth, but more likely to be irregular depending on timing and needs of specific projects.
- 2.2 The initial period, up to a break option, is likely to be 18 months to 2 years with an anticipated associated spend of up to £240,000.
- 2.3 The anticipated length of the relationship with the strategic advisor will initially be 5 years. The overall estimated funding required for this is £600,000. Depending on the progress of the work and projects, this contract period may be extended.
- 2.4 The approach to this contract will be to enable specific parcels of work to be specified and called off from the contract. The council will have control throughout in terms of expenditure and quality of work delivered. This will be regularly monitored to ensure close control of spend and quality of work.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 Procurement would be carried out in accordance with the Council's Contract Procedure Rules 9.2.
- 3.2 Due to the nature of the contract and the anticipated potential spend, this process will require a full open EU tender process and officers are currently working on a detailed timeline for this. It is anticipated the process could take approximately 5 months.

- 3.3 Procurement advice and assistance will be sought from Hampshire County Council and the new WCC interim Head of Procurement. Due to the importance of the quality of the strategic advisor it is recommended that cabinet approve the procurement assessment model based on a 60% quality, 40% price.
- 3.4 Key elements of the procurement process will include:
- a) development and cabinet approval of the brief and 60% quality, 40% price evaluation model (this report)
 - b) Approval of budget by council February 2019
 - c) production of full procurement documentation, including scoring and process late 2018/early 2019
 - d) advertising the opportunity early 2019
 - e) selection and appointment process in early spring 2019.
 - f) The selection process will involve formal evaluation by officers of the tenders received and face to face interviews with the top bidders. Members will be invited to be part of the interview process where an emphasis will be on relevant experience.
 - g) The bidding consultancies will be expected to;
 - (i) showcase work they have carried out previously in similar locations and on similar projects
 - (ii) demonstrate added value that they brought to the project
 - (iii) identify the approach they will take to embed themselves in to WCC, the city and the wider district.

4 WORKFORCE IMPLICATIONS

- 4.1 The strategic advisor will advise and support council officers across programmes of work.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 The strategic advisor will compliment the skills and experience of the council's in-house team, and add capacity, knowledge and skills at appropriate points during key projects.

6 CONSULTATION AND COMMUNICATION

- 6.1 The Cabinet (Central Winchester Regeneration (CWR)) Committee has discussed and approved progressing with appointment of a strategic advisor

and the brief has been shared with the committee members for information and comment.

- 6.2 Informal contact with experts in the field indicates that the SDA approach and type of specification is appropriate for the needs of the council.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 None

8 EQUALITY IMPACT ASSESSEMENT

- 8.1 None

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 None

10 RISK MANAGEMENT

- 10.1 The relevant elements of the project risk register are attached at appendix B

11 SUPPORTING INFORMATION:

11.1 Background

- 11.2 The CWR Supplementary Planning Document (SPD) was adopted on 20 June 2018 and successfully completed the statutory three month challenge period.

- 11.3 At the meeting of Cabinet (CWR) Committee on the 25 September, Members approved the outline delivery strategy, and as part of that the procurement of a strategic advisor to assist the development of the delivery strategy.

- 11.4 The Council has an ambitious programme of major projects in place, including Central Winchester Regeneration, which is delivering on council plan key priorities throughout the Winchester District. The brief for the advisor has been drafted to focus initially on the CWR project but provides for advice and support to be given to all current and potential projects and development opportunities that the Council is undertaking currently, or may undertake in the future.

- 11.5 The overarching vision of Winchester City Council is to combine a blend of innovation, aspiration and pragmatism and to look beyond the traditional ways of doing things and aims to adopt an entrepreneurial approach to deliver the outcomes outlined in the Council Strategy 2018 – 2020.

- 11.6 A strategic advisor will call on external experience and knowledge to advise the Council across the programme of projects to ensure that this approach is adopted.
- 11.7 Due to the scope of the draft brief being wider than just the CWR project Cabinet approval to proceed is sought.
- 11.8 Role of the strategic advisor
- 11.9 Whilst there is considerable skill and experience within the council, the ambition shown in the council plan will require new, innovative ideas and methods to bring the projects forward. It is in this area particularly that we expect the SDA to add value to the projects in assisting the council in marrying local knowledge of Winchester and the district with the emerging and successful ideas and models in the marketplace in the UK. The changing retail environment and the future role of the High Street, as well as innovative models of funding regeneration are fast moving areas of knowledge, and an excellent SDA will be able to bring cutting edge UK-wide experience to Winchester.
- 11.10 There are multi disciplinary consultancies in the market that offer expertise across all aspects of regeneration and development and the council will be looking to procure services of one such consultancy.
- 11.11 Services the council will be looking to seek external expert advice on include, but will not be exclusive to, master planning, viability modelling, site assembly, business planning and partnership structuring. The full brief is attached at appendix A
- 11.12 Consultancies bidding for the contract will be expected to demonstrate that they have carried out work in similar locations and on similar projects and give details on how they plan to approach the role in Winchester.
- 11.13 Due to the number and the complex nature of the council's projects, a long term relationship is required with the appointed strategic advisor.
- 11.14 It is anticipated that the relationship with the SDA will be for five years with an option for either party to terminate the contract after 18 months to 2 years.
- 11.15 The SDA will be expected to familiarise themselves with Winchester and the council, review the current work programme and make recommendations as to how to proceed. The SDA will concentrate initially on CWR but may also be requested to look at other ongoing or emerging projects. This will be done in the first year to 18 months and a break option allows for flexibility on both sides at this stage.
- 11.16 It may be advantageous to retain the relationship beyond the initial five year period so there will be provision in the contract to extend the arrangement for a further five years.

- 11.17 The services of the SDA will be “called off” as required and in order to do so, a case will be put by the requesting project team justifying the need for the external services. The Strategic Director: Place will be the senior client officer to ensure the services of the SDA are used appropriately.
- 11.18 Estimates as to the level of funding required are, on average, in the region of £8,000 to £10,000 per month. This is dependant on the nature and the level of work the strategic advisor is asked to carry out.
- 11.19 The current CWR revenue budget is not sufficient to fund this role and the role extends to other council projects. Budget of £600,000 is therefore required to support this appointment.
- 11.20 Cabinet is therefore asked to recommend the budget request to Council for approval.

12 OTHER OPTIONS CONSIDERED AND REJECTED

- 12.1 Developing a cohesive, comprehensive development plan across the district without the advice and support from external specialist help has been considered and discounted due to the complexities associated with Winchester and also the current uncertainty around Brexit and market conditions.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

CAB3077 (CWR) – 25 September 2018 Central Winchester Regeneration Update and Establishment of Advisory Panels

CAB3106 (CWR) – 27 November 2018 Central Winchester Regeneration Progress

Other Background Documents:-

CWR SPD: <http://www.winchester.gov.uk/planning-policy/supplementary-planningdocuments-spds/central-winchester-regeneration-spd>

APPENDICES:

Appendix A: Strategic Advisor brief

Appendix B – Risk Register