

WEST LINDSEY DISTRICT COUNCIL

MINUTES of the Special Meeting of the Prosperous Communities Committee held in the Council Chamber - The Guildhall, Marshall's Yard, Gainsborough, DN21 2NA on 11 July 2017 commencing at 6.00 pm.

Present: Councillor Mrs Sheila Bibb (Chairman)
Councillor Mrs Gillian Bardsley (Vice-Chairman) and
Councillor Steve England (Vice-Chairman)

Councillor Owen Bierley
Councillor Christopher Darcel
Councillor Michael Devine
Councillor Paul Howitt-Cowan
Councillor Mrs Pat Mewis
Councillor John McNeill (6.17pm)
Councillor Mrs Maureen Palmer
Councillor Mrs Judy Rainsforth

In Attendance:
Eve Fawcett-Moralee Director Economic & Commercial Growth
Ian Knowles Director of Resources and S151 Officer
Mark Sturgess Chief Operating Officer
Jo Walker Team Manager Projects and Growth
Katie Coughlan Governance & Civic Officer

Also In Attendance: Councillor Giles McNeill
Councillor David Cotton
Councillor Jeff Summers
Councillor Ian Fleetwood
Councillor Matthew Boles

Apologies: Councillor Mrs Lesley Rollings
Councillor Trevor Young

Membership: Councillor Judy Rainsforth substituting for Councillor
Trevor Young

20 MEMBERS' DECLARATIONS OF INTEREST

No declarations of interest were made.

21 EXCLUSION OF PUBLIC AND PRESS

RESOLVED that under Section 100 (A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act.

22 PROCUREMENT OF A DEVELOPMENT PARTNER: INVITATION TO SUBMIT DETAILED SOLUTIONS

West Lindsey District Council had committed to an ambitious programme of housing growth and town centre regeneration in Gainsborough which would build on the success of previous development and enable the town to fulfil its potential as an attractive and thriving sub-regional centre. Securing a strategic development partner was integral to the success of this programme and the delivery of the vision for Gainsborough and the District.

In October 2016, Members had approved the Contract Notice (OJEU Notice) and the Memorandum of Information that set out the scope of the procurement for the Development Partner.

Members had also approved the Selection Questionnaire (“**SQ**”) and related evaluation criteria to enable the Council to shortlist bidders for the next stage of the procurement process, referred to as the ISOP (Invite to Submit Outline Proposals) stage.

Following these approvals, on 14 November 2016, the Contract Notice was published in the Official Journal of the European Union (“**OJEU**”) inviting expressions of interest from organisations wishing to enter into a long term Joint Venture with the Council to deliver a phased programme of commercial and housing development in Gainsborough.

The Council was conducting the procurement in accordance with the Competitive Dialogue procedures pursuant to Regulation 30 of the Public Contracts Regulations 2015.

Following the receipt of expressions of interest from a number of developers, on 27th February 2017, Members acknowledged the results of the SQ evaluation and the proposed shortlist of four Participants to invite to ISOP stage. Members at this stage had also approved the ISOP documents for publication.

The ISOP document had subsequently been published, and as a result on 8th May the Council received two compliant ISOP submissions. The names of the two companies were shared with the Committee, together with details of those two companies who had chosen not to proceed and the reasons for this.

Members also noted that as a result, the down-selection process would no longer be required.

Members were therefore asked to acknowledge the shortlisted candidates to proceed to the “Invite to Submit Detailed Solutions (ISDS)” stage of the process. Members were also asked to approve the proposed ISDS document which had been appended to the report.

In order to aid Members' understanding of the process to date, the process going forward and the purpose of the ISDS document, the Director of Economic & Commercial Growth, the Team Manager for Projects and Growth and the Section 151 Officer, made a presentation to Members.

During the presentation, Members were provided with information relating to the following: -

- Further information on the companies that had both chosen to decline to proceed to the next stage and the reasons for this;
- Further information on the two companies who had made compliant submissions at the ISOP stage;
- Detailed information on each of the compliant submissions' key strengths and areas for further development at the ISDS stage;
- Examples of schemes previously delivered by the two companies remaining in the process, together with artists impressions of how their proposed schemes for sites within the town may look;
- The next stage of the process and how the analysis of the submissions had been undertaken and used to inform and refine the ISDS document;
- The key components of the proposed ISDS document, particularly the proposed sites selected for inclusion in phase 1 (5 years), those deferred to phases 2 and 3 (5 – 10 years) and 10-12 (years);
- The proposed scope for each of the sites selected for phase 1 of the ISDS subject to competitive dialogue;
- Details of a potential development solution concept;
- A financial summary based on the information which had been gathered through the ISOP stage, including viability gaps for all the original proposed sites and options for funding any gaps;
- The proposed financial solution as result, which included a proposal to commit enabling funding from reserves, and request financial solutions from the bidders as part of the ISDS, as opposed to the previous proposal to borrow. Noting that the financial solution would form part of the negotiated outcome of the procurement process.
- The revised legal solution for delivery, which was being proposed as a result of the negotiations at ISOP stage, including the rationale for this and the benefits it afforded.
- The next stages of the process and the outline timeline if the ISDS document and proposed funding was approved.

Members asked a number of pertinent questions and sought assurance on a number of matters. Concern was expressed at the viability gaps identified, however the revised financial solution, was more favoured. Officers outlined the independent advice and in house expertise which had been sought in working up the proposals and were confident the financial appraisal reflected the current market. It was also noted that competitive dialogue procurement allowed for flexibility and was particularly used when it was difficult to specify exact requirements, hence why a number of sites had options for development, rather than definitive schemes at this stage.

Members were very clear that any leisure offer development must compliment and not compete with the current leisure offer. Off paramount importance was the enhancement of green space as opposed to development of. Officers indicated both requirements would be made clear through the ISDS documentation and negotiations. Member briefings would also be held as negotiations proceeded in order to give Members assurance that these were proceeding in line with their aspirations and to keep them informed as the schemes were further worked up and refined.

Assurance was also given that the need to acknowledge and reflect the heritage value of a number of the proposed sites would also be made clear through the ISDS documentation and negotiations.

In responding to questions regarding future proofing parking within the town, if development as planned proceeded, Officers indicated that they would shortly be submitting proposals regarding car parking within the town and confirmed that consideration had been given to short, medium and longer terms solutions, and had taken into consideration the implications/ impact of the development partner work.

In concluding, Members acknowledged and thanked Officers for the work undertaken to date, and welcomed the aspiration shown.

On that basis, and with the exception of one abstention, it was unanimously **RESOLVED** that:

It be **RECOMMENDED** to the Corporate Policy and Resources Committee that:

- (a) the proposed Invitation to Submit Detailed Solutions (ISDS) document appended to the report, which constitutes the Council's brief to deliver a significant part of the regeneration plans for Gainsborough be approved;
- (b) officers be authorised to commence the next stage of the procurement process and enter into "competitive dialogue", to further test the development, financial and legal solutions as presented with the Participants, to enable the detailed assessment of the regeneration impact of the solutions and their financial benefits to the Council to be made, and reported back to Members in December;
- (c) the revised financial considerations outlined in the financial implications section of the report be approved and the commitment of £5m of reserves to support the programme, subject to rigorous testing of the final financial strategy through the final stages of the procurement process be agreed;
- (d) the Director of Resources, in consultation with the Chairs of Prosperous Communities and Corporate Policy and Resources Committees, be granted delegated authority to agree any final changes (in line with the key development and funding principles) to the ISDS document.

The meeting concluded at 6.40 pm.

Prosperous Communities Committee- 11 July 2017
Subject to Call-in. Call-in will expire at 5pm on

Chairman