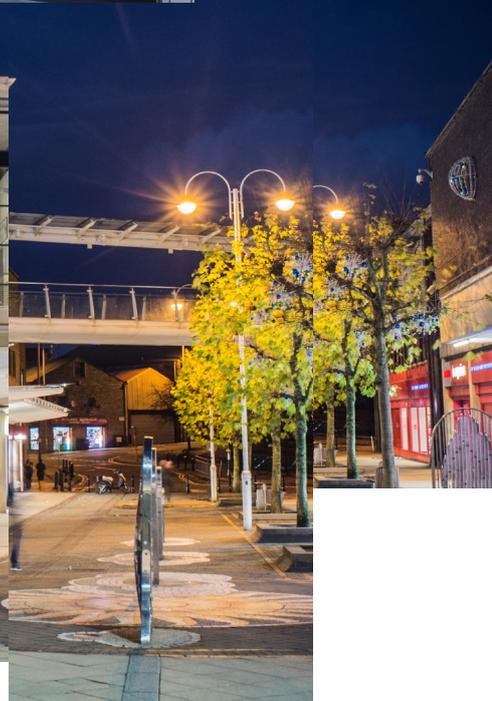


Curzon Street, Burnley

Town Centre Development Opportunity



Information Memorandum

Relating to the appointment of a development partner for a leisure-led mixed use town centre development.
Burnley Council May 2017

Introduction

This Information Memorandum has been prepared by Burnley Borough Council (the "Council") for the purpose of providing Bidders with initial information relating to the procurement of a Development Partner for the delivery of the Curzon Street Development Site ("the Development").

The Council's requirement is for a leisure-led mixed use redevelopment of the town centre site. This provides an opportunity for bringing new leisure uses; preferably including a cinema and/or other family orientated leisure facilities and restaurant chains into Burnley town centre, with some additional retail.

The intended purpose of this document is to assist Bidders in making their own evaluation of the potential opportunity to enter into a contractual relationship with the Council and provides Bidders with further information to facilitate completion of the Standard Selection Questionnaire (SQ).

It also provides the instructions and requirements for the full proposals and the outline criteria for assessment.

This Information Memorandum relates to a notice dispatched to the Official Journal of the European Union on Thursday 1st June 2017; OJEU Ref:[once published the OJEU reference number will be updated in this document in the data room].

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Section 1: THE OPPORTUNITY

1.1. Introduction / Context

About Burnley

- 1.1.1. Burnley has made major progress in recent years, delivering ambitious plans to transform the area, making it an even more attractive place where people choose to work, live, visit and invest.
- 1.1.2. Burnley is 21 miles north of Manchester and sits on the western edge of the Pennines. The District covers 43 square miles (111 sq. km) and has a population of approximately 87,400¹. Burnley Town Centre plays an important role in the economy serving a population of 110,000 in Burnley and its immediate surrounds and 270,000 people within a 15 minute drive time. Alongside Blackburn, the town is a sub-regional centre for retail, business, civic and cultural activities in Pennine Lancashire.
- 1.1.3. Burnley was officially the ‘Most Enterprising Area in the UK’ in 2013. The accolade, awarded through the Government Department for Business, Innovation and Skills, recognises and celebrates the range of business, enterprise and economic development work that has reshaped Burnley’s reputation. The Borough has achieved above average employment growth of 11.7%² over the period 2010 to 2015 which is significantly higher than regional and national figures. Underlying this is a strong business formation rate and inward investment levels with a 13.5%³ increase in the number of enterprises in the period 2010 to 2015.
- 1.1.4. Burnley is home to world class businesses, which have succeeded on a global platform. Advanced manufacturing, aerospace and automotive sectors are internationally recognised for inward investment.

Burnley Town Centre

- 1.1.5. Burnley Town Centre benefits from being relatively compact and largely retained within the inner ring road. The Town Centre retains a significant part of its Victorian character. The centre is enclosed to the South by the embankment of the Leeds Liverpool Canal and to the West by the Weavers Triangle heritage area.

¹ ONS, 2015, Mid-year population estimates

² ONS, 2015, Business Register and Employment Survey (BRES)

³ ONS, 2015, UK Business Counts – Enterprises



Figure 1: Burnley Town Centre

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- 1.1.6. The main shopping area is centred on St James’s Street and the Charter Walk Shopping Centre, with many high street names such as Marks and Spencer, Next, Boots and Costa. Primark are the latest high street name to locate in Burnley and are due to open in early 2018. The core shopping area is flanked by a number of primarily independent retail areas including Standish Street, Kierby Walk, and St James’s Street West that are occupied by smaller independent retailers and services. A large Market Hall is situated on the first floor of the Charter Walk Shopping Centre and has approximately 60 traders. Hammerton Street and its surrounds still retain a lively night time economy which is adapting to changing trends with new cocktail bars, wine bars and eateries. Major attractions, like the Burnley Mechanics Theatre complex, continue to thrive.
- 1.1.7. The town centre also serves as an important service centre for public and professional services, with approximately 400,000 sq ft of office space in the town centre (the third highest in Lancashire). Burnley Borough Council occupies a number of buildings, including the Town Hall. Office space is occupied by a range of professional services, customer service centres including Endsleigh Insurance and a number of public sector occupiers including Burnley Council, Lancashire County Council, the Police and Calico Housing Group.
- 1.1.8. Burnley College and the University of Central Lancashire (UCLan), occupy a large campus within the Burnley Knowledge Quarter, adjacent to the Town Centre on Princess Way. The site provides further and higher education to full-time students aged 16+, part time adult

students, employer sponsored learning programmes and apprentice programmes. UCLan have longer term goals to significantly increase their student numbers at the site. The Burnley Knowledge Quarter also includes the Vision Park; a new business park development currently under construction with phase 1 due to complete in September 2017.

- 1.1.9. Burnley town centre has benefited from a number of recent key projects including the current joint scheme by Burnley Council and Lancashire County Council to invest £3.3m in improving the pedestrianised areas of the town centre public realm; the recent refurbishment and investment in Charter Walk Shopping Centre; edge of town centre developments at UCLan / Burnley College, Burnley Vision Park, Weavers Triangle redevelopment; and the new Manchester Road Railway Station. A number of residential conversions and new build schemes are also being delivered in the town centre, adding to its vitality.
- 1.1.10. Burnley Town Centre further benefits from an active Town Centre Partnership supported by a Town Centre Manager funded by Burnley Council. The town centre also benefits by a monitored CCTV system with cameras covering the majority of the town centre. A community radio scheme which links the control room, retailers and the police is also in operation.

The Curzon Street Development site

- 1.1.11. The Curzon Street Development site is located within the town centre at the northern edge of the primary shopping area, between Burnley Knowledge Quarter and the Charter Walk Shopping Centre. Located on the key gateway into the Town Centre, with frontage onto Active Way and Curzon Street, the site extends to 1.5ha and is currently used as a pay and display car park.

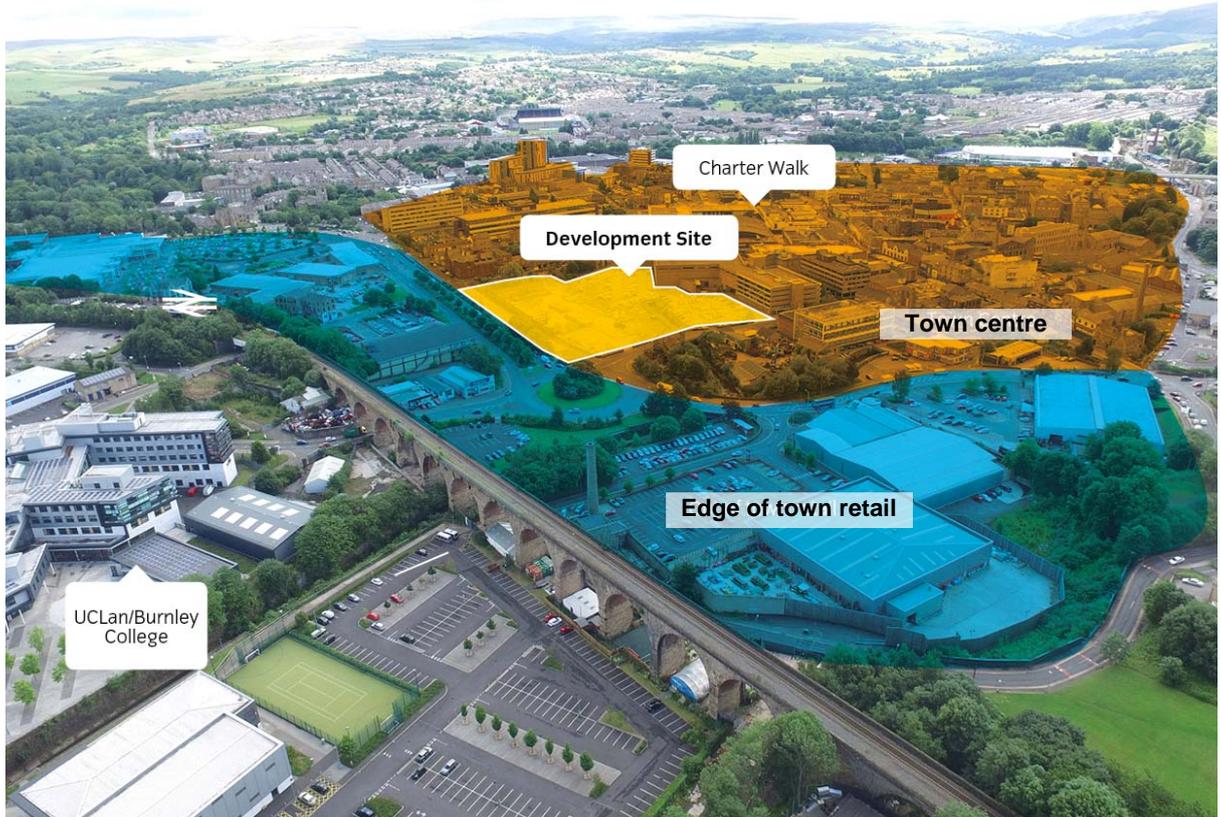


Figure 2: Curzon Street Development Site

- 1.1.12. Nearby retailers along the pedestrianised part of Curzon Street, a major thoroughfare, include Marks & Spencer, Next, Halifax and Primark (occupation scheduled for early 2018 and immediately adjacent the site). Other surrounding uses and retailers include a multi-storey car park, Aldi supermarket, The Range, and Anchor Retail Park. The nearby former first floor open market and old Studio 123 cinema complex (above the retained Market Hall) along with associated ramp and bridges on Curzon Street and Bankfield, are due to be demolished next year. This will significantly improve the visual aspect and townscape at this key location.
- 1.1.13. The site represents a major opportunity to grow Burnley Town Centre with a scheme that will complement ongoing regeneration of the town. Redevelopment of the Curzon Street site will supplement the existing thriving retail and service centre with a wider leisure, cultural and social experience during the day and into the evening that will underpin Burnley as an attractive place to live, work and visit. The site provides an opportunity for a major leisure-led development ideally bringing a cinema and/or other family orientated leisure facilities and restaurant chains into the town centre. Alongside additional retail units, improved public realm and car parking provision, the development has the ability to further improve the overall status and attraction of Burnley town centre.

1.2. Vision, Aim and Objectives for the Development

The Vision

- 1.2.1. The Council’s strategic objective is to make the Borough a place of choice. By 2030, our vision for the Town Centre is that “Burnley has a distinctive and attractive town centre which is inclusive and relevant to people of all ages and backgrounds. It offers a high quality retail, cultural and leisure experience for residents and visitors.”

The Aim

- 1.2.2. The aim is to procure a Developer Partner with the credentials and capability to deliver a high quality, leisure-led mixed use development on the site in accordance with this Information Memorandum and Burnley’s Local Plan Proposed Submission Document.

The Objectives

- 1.2.3. The objectives of the scheme are to:
- Develop a major town centre mixed use scheme which makes a significant contribution to a **vibrant leisure, entertainment and cultural offer** in the town centre;
 - Create a new development that brings new leisure uses; preferably including a cinema and/or other family orientated leisure facilities and high quality national food chains, into the town centre, with some additional retail;
 - Create a high quality scheme that makes an architectural statement and is consistent with the Local Plan Proposed Submission Document;
 - Create a scheme which, ideally, generates a long term income for the Council;
 - Deliver a well-planned and funded development that is successful in attracting the target market; and,
 - Establish strong and effective partnership working between the developer and other project partners and town centre stakeholders to maximise the Council’s strategic relationships and project relationships.

1.3. The Development Site

Location

- 1.3.1. The site fronts Active Way and Curzon Street and is accessed from the M65 Junctions 10 and 11 (within 1.5km) via Royle Road and Active Way. It is close to bus stops on St James Street and within 250m of Burnley Central Railway Station. It also has excellent pedestrian-friendly

access via the pedestrianised parts of Curzon Street and St James Street to the wider town centre area.

Size

- 1.3.2. The site extends to 1.5 ha (3.7 acres), excluding adopted highways, and is shown edged red on the plan which is included in the data room (see paragraph 2.3).

Ownership

- 1.3.3. The site is wholly owned by Burnley Borough Council.

History

- 1.3.4. The site was previously occupied by a Co-Op (Pioneer) Supermarket which is now demolished, and is currently being used as a pay and display car park for 250 spaces. Part of the site is currently in use as a site compound for Lancashire County council who are undertaking public realm improvements to the town centre.

Site topography

- 1.3.5. The majority of the site is relatively level at around 108.6 mOD.

Flood Risk

- 1.3.6. The River Brun crosses the site both as an open watercourse and in a culvert.
- 1.3.7. The main source of flooding to the site is fluvial and surface water, with the majority of the site lying within Flood Zone 2. A site specific Flood Risk Assessment will be required to demonstrate how specific proposals will manage and mitigate Flood Risk in Flood Zone 2 (current day and climate change) and Flood Zone 3a (under climate change) and surface water flooding.

Archaeological significance

- 1.3.8. The site has local archaeological significance and a formal programme of archaeological investigation will be required including trial trenching and recording of surviving elements on site. Further investigation or recording works may be necessary dependent upon the results of the trial works.

Planning background

- 1.3.9. The site is allocated in the Local Plan Proposed Submission Document under policy TC4: Development Opportunities in Burnley Town Centre and is identified as suitable for a mix of retail, office and leisure uses.
- 1.3.10. The site has previously had planning permission for retail and leisure development with multi-storey car parking (APP/2011/0052). Developers may find the previous planning

application which includes reports on Design & Access, Heritage, Transport, Coal Mining, Geological Extracts, Ground Stability, Flood Risk and Contamination etc useful for reference (refer to Data Room).

Planning contributions

1.3.11. As per the Local Plan, subject to viability.

1.4. Development Guidelines

Preferred occupiers and use mix

- 1.4.1. The Council's requirement is for a leisure-led mixed use redevelopment, which provides an opportunity for bringing new leisure uses; preferably including a cinema and/or other family orientated leisure facilities and restaurant chains into Burnley town centre, with some additional retail.
- 1.4.2. The Local Plan Proposed Submission Document identifies the site as suitable for a mix of retail, office and leisure uses comprising or including A1(shops) uses together with other A2 (Financial and professional services), A3 (Restaurants & Cafes), A4 (Drinking Establishments), B1a (Offices), C1 (Hotels) or D2 (Assembly and Leisure) uses. C3 (Housing) and A5 (Hot food takeaway) uses would only be acceptable as an ancillary part of a mixed use scheme.
- 1.4.3. A minimum of 1,500 sq.m (net) of A1 comparison floorspace should be included within the mix of uses. However, retail provision must not displace occupiers from the current town centre and the Council would be seeking high quality national retailers not currently present in the town centre.
- 1.4.4. Loss of town centre car parking would have to be mitigated and site proposals should provide the minimum car parking required for the development. The Council would expect developers to provide proposals outlining how they would meet the parking requirements together with operational proposals.

Design and quality

- 1.4.5. The site is located on a Key Gateway into Burnley Town Centre and development proposals will be expected to reinforce the site's Key Gateway role. An opportunity exists to create a new townscape and a positive and appropriate relationship with surrounding buildings and spaces. A substantial building of high quality is envisaged to the north west corner of the site (a minimum of 3 storeys) addressing Active Way, with specific attention also given to the frontages to Active Way and Curzon Street to ensure an attractive and permeable edge to the town centre.

- 1.4.6. Key buildings should use a palette of materials which includes high quality locally distinctive materials in accordance with Policy SP5 within the Local Plan Proposed Submission Document. High quality suitable and complementary contemporary materials and designs may also be acceptable.
- 1.4.7. Development proposals should contribute to an improved public realm consistent with the Burnley Town Centre Public Realm Strategy SPD with clear, safe and convenient pedestrian linkages to the existing Primary Shopping Area. Bankhouse Street is setted and this surface could be incorporated into the new public realm scheme.
- 1.4.8. The River Brun crosses the site both as an open watercourse and in culvert. Proposals therefore will need to take account of the easement requirements of the Environment Agency to provide unobstructed access to the open water course for inspection and maintenance.
- 1.4.9. Scheme proposals should also incorporate the River Brun as a feature. To reduce flood risk, improve the quality of the River Brun and enhance the amenity value it brings to the town centre public realm, the opening up of the culverted section of the river within the site should be explored, taking account of the Council's Strategic Flood Risk Assessment.
- 1.4.10. The layout and design of any development should take account of the recommendations of the Council's Strategic Flood Risk Assessment. Any development will need to be accompanied by a site specific Flood Risk Assessment in accordance with Policy CC4 within the Local Plan Proposed Submission Document and seek opportunities to reduce the overall level of flood risk in the area through the layout and form of the development and through the provision of an appropriate sustainable drainage scheme.

1.5. Agreement to Lease

- 1.5.1. Following the conclusion of the procurement process, it is envisaged that the Council and the successful Bidder, as its development partner, will enter into an Agreement to Lease with development obligations and a longstop date of 12 months (subject to planning permission with an ultimate long stop date of 18 months). The Lease itself will run for a term of 250 years. Bidders will be asked to respond to the Agreement to Lease during the Initial Tender stage and their responses to it will form part of the scoring criteria.

Section 2: THE PROCUREMENT PROCESS AND TIMETABLE

2.1. Procurement Procedure Overview

- 2.1.1. The Council will undertake a Standard Selection Questionnaire (SQ) pre-qualification stage to identify those Bidders that will be invited to Tender.
- 2.1.2. The Council will then utilise the **competitive procedure with negotiation** for this procurement exercise. The purpose of the competitive procedure with negotiation is to select a single preferred Bidder with whom the Council intends to enter into a contractual arrangement. This may be done through the acceptance of Tender responses from those Bidder's invited to tender ("the Initial Tenders") or through negotiation of elements of those Initial Tenders and receipt and evaluation of Final Tenders.
- 2.1.3. This Information Memorandum is designed to initiate the procurement process by setting out the broad framework within which pre-qualification is undertaken and how subsequent proposals from those bidders invited to tender will be evaluated and negotiated (if applicable). The negotiations, though iterative in nature, will systematically cover either all aspects of the Bidders' proposals or only those elements which the Council considers requires further discussion or negotiation.
- 2.1.4. The process therefore will follow the main stages identified:
1. **Pre-Qualification (PQ)**; by use of a Standard Selection Questionnaire (SQ)
 2. **Initial Tenders**; by response to the invitation to tender (issued to short listed Bidders)
 3. **Negotiation (if applicable)**; to cover all aspects of the Bidders' proposals or only those elements which the Council considers requires further discussion or negotiation.
 4. **Final Tender (if applicable)**; to be submitted by remaining Bidders.
- 2.1.5. For further detailed information relating to the procurement process refer to 2.6 Legal position of the Council. An indicative timetable is also included at 2.7.
- 2.1.6. The key components of the development opportunity are outlined in Section 1 of this document, with further information contained within the on-line Data Room (see 2.3).
- 2.1.7. Potential Bidders may wish to make their own enquiries. For any queries, please see instructions contained below in 2.4.
- 2.1.8. Following the conclusion of the procurement process, it is envisaged that the Council and the successful Bidder, as its development partner, will enter into an Agreement to Lease as outlined previously in paragraph 1.5.1.

2.2. Site Viewing Arrangements

2.2.1. Potential Bidders are able to view the site unaccompanied. A site viewing with Council Officers can be made by prior appointment, please contact the Council via the Authorised Officer. Details of the Authorised Officer are contained in paragraph 2.4.3 below.

2.3. Data Room at SQ Stage

2.3.1. Bidders are given internet access to information relating to the Site. It is advised that they view the Data Room, which includes the following documents which may be of relevance, prior to completing the Selection Questionnaire (SQ):

- Information Memorandum, including statement of first stage selection criteria
- Standard Selection Questionnaire
- OJEU Notice
- Site Plan
- Burnley Town Centre Strategy, 2016-2021
- Local Plan – Proposed Submission Document
- Town Centre Public Realm SPD
- Strategic Flood Risk Assessment 1 and 2
- Link to APP/2011/0052 – previous planning permission for retail and leisure development with multi-storey car parking on the site
- Burnley Investment Pack
- Clarification Log

2.3.2. The above information is available to download during the PQ stage from the Data Room, accessed at the following web address <https://fileswap.burnley.gov.uk/>

Username: CurzonGuest1

Password: Sam5ung\$?

2.3.3. Bidders are advised to regularly check the online data room for any updates relating to this procurement.

2.3.4. Bidders, at the Invitation to Tender Stage, will be given a guest login which provides access to a further Data Room in which is contained a full range of relevant documents. Access to this data room will be subject to those Bidders signing a relevant Data Room Agreement.

2.4. Requests for Information

2.4.1. During the pre-qualification stage and while Bidders are preparing the Selection Questionnaire, they may obtain any further information regarding the Development, by means of written requests for further information.

2.4.2. Bidders' requests for additional information in relation to this Development should be made in writing to the Council's Authorised Officer and Bidders shall be responsible for satisfying themselves as to the material which will be relied upon. All queries shall be in writing (e-mail or post) and addressed to the Authorised Officer who may direct Bidders to other persons to deal with the matter. Telephone requests to the Authorised Officer will also be accepted provided these are confirmed in writing.

2.4.3. The Council's Authorised Officer for the purpose of this exercise is shown below:

Contact: Chris Gay
Email: cgay@burnley.gov.uk
Tel: 01282 477163

2.4.4. All reasonable requests and specific questions will be responded to in writing by e-mail. Questions on this Information Memorandum or the Selection Questionnaire must be raised as soon as possible and in any event by Monday, 19th June 2017, using the Bidder Question Form attached at APPENDIX 1: BIDDERS QUESTION FORM. The Council is committed to maintaining a competitive procurement process by ensuring, where possible, that information is equally available to all Bidders. All information and responses will be supplied to all Bidders on a uniform basis (unless the Council determines otherwise). If a Bidder wishes to have any matter treated as confidential then this must be stated via clearly marking the written query:

"Confidential – response not to be circulated to other Bidders"

2.4.5. The Council will consider any such request and will determine whether or not it is reasonable to comply with it. If the Council believes it is not reasonable to withhold such a response from other Bidders it will first ask the Bidder raising the query whether they wish to retract the query. If the Bidder wishes to retract the query, then the Council will not disclose the information to any other Bidder unless a subsequent request for similar information is received from another Bidder and that Bidder is content for the information to be made available to all Bidders.

2.4.6. No other person (being a person other than the Authorised Officer or a person nominated by him) has any express or implied authority to make representations or give explanations as to the meanings of any of the documents in the Information Memorandum, or otherwise.

2.5. Financial Matters

2.5.1. Each Bidder will be responsible for their own costs of this tendering process.

2.5.2. The Council estimates the anticipated range of development value to Bidders of the Agreement to Lease arising from this procurement to be GBP12,000,000 to GBP18,000,000.

2.5.3. Proposals submitted by Bidders during the Initial Tender stage of this procurement will be required to respond to the following financial requirements (as a minimum):

- Ideally the scheme proposal will be self-financing with the successful Developer funding all development costs and it will be its responsibility to procure appropriate funding;
- The scheme proposal should be commercially viable;
- Where it is demonstrated that a scheme is not financially viable or deliverable without public sector intervention, Bidders will be required to submit alternative funding models and appraisals; and,
- A preferred financial model should be clearly identified, with proposals clearly set out, clearly justified and the obligations, risks and returns to both the Bidder and the public sector identified.

2.5.4. The Bidder's response to the above matters will be set out in the Agreement to Lease between the Council and the successful Bidder.

2.5.5. Bidders shall be willing (where necessary) to pro-actively participate in applying for grant or other public funding that may be available for such development. The successful Bidder shall be required to establish and lead a bidding team in preparation, submission and subsequent further development of bids to meet funder's requirements. The Council will contribute to the work of the bidding team. In instances where funding is only available to the Council, the successful Bidder will be required to participate in the Council's bidding team.

2.5.6. During the course of the procurement exercise, financial appraisals will be required of all proposals and must be completed and returned in a recognised format, and may include a summary sheet and detailed cash flow.

2.6. Legal Position of the Council

2.6.1. Once the Selection Questionnaire pre-qualification stage has been completed the Council intends to conduct a competitive procedure with negotiation bid process in accordance with

the Public Contracts Regulations 2015, with transparent principles for the award of the Form of Appointment. The contract will be awarded to the Bidder whose bid represents the most economically advantageous offer for meeting the Council's requirements.

- 2.6.2. The competitive procedure with negotiation allows the Council to take the benefit of a number of options in terms of conducting the procurement process. Primarily the Council is permitted to accept an Initial Tender without any further negotiation as it has reserved the right to do so within the Contract Notice. Alternatively, the Council can run a negotiation stage in order to further refine bid submissions.

Pre-Qualification (Selection Questionnaire) stage

- 2.6.3. In order to assist the Council in evaluating which Applicants should be invited to tender by reference to their economic and financial standing and technical or professional ability, Bidders are requested to complete the Standard Selection Questionnaire (SQ). This pre-qualification stage will be conducted in accordance with the requirements set out in section 2.8 of this document.

Initial Tender Stage

- 2.6.4. Following the identification of those Bidders who will be invited to Tender, the Council intends to carry out the procurement process as follows:
- Invite Bidders to participate in the competitive procedure with negotiation by providing Bidders with the Invitation to Tender ("ITT") and any other supporting documentation which the Bidder requests from the Council.
 - The Council will request an initial mark-up of the contract documents and pricing before determining whether there is a requirement to enter into detailed negotiation or whether, having applied the evaluation criteria set out in the ITT, the Council is able to identify a Preferred Bidder from the Initial Tender submissions. If the Council considers that an element of negotiation is required it shall use issues identified in the mark-up and any other themes it may wish to address whether there is a basis or requirement for discussion / negotiation at meetings with individual Bidders. Ultimately the Council however reserves the right to accept an Initial Tender in accordance with the competitive procedure with negotiation.

Negotiation Stage

- 2.6.5. If the Council opts to hold such a stage, the Council shall structure the negotiation phase in accordance with the requirement to maintain a level playing field between Bidders and to preserve their commercial confidentiality. All Bidders selected to participate in the negotiation stage will have been deemed to have passed the minimum requirements of the Council. That is to set out a proposal for the redevelopment of the development site in

accordance with the project objectives and the Local Plan Proposed Submission Document. During the negotiation stage, all remaining aspects of the contract may be open for discussion, e.g. risks, pricing, contractual requirements and commercial structures.

- If applicable, having identified the themes for discussion following receipt of ITT submissions, the Council intends to run tailored sessions or workshops at which Bidders may be invited to enter into negotiation with the Council on a particular issue. The Council shall negotiate an agreed position with the Bidder which will be documented either in:
 - (i) the Bidder's written proposal submitted shortly afterwards and/or
 - (ii) amended contract documentation prepared by the Council and agreed with the Bidder. Bidders are prohibited from varying previously agreed positions, when submitting their Final Tender.
- At the end of the negotiation stage, the Council intends to adopt a process of de-selection of solutions and/or Bidders by evaluating against the published award criteria, the written proposals received, or positions reached as set out in the amended contract documentation.

Final Tender stage

- On closing the negotiation, the Council will then invite the remaining Bidder or Bidders to submit a Final Tender. The Council requires that the Final Tender include the Bidder's final mark-up of the Agreement to Lease (or agreed amended version). Bidders should note that the Final Tender is to reflect the agreed positions reached and documented during the dialogue process and any derogation from such agreed positions will not be accepted by the Council, nor is it permitted under the competitive procedure with negotiation
- If submitted by more than one Bidder, Final Tender(s) shall be evaluated in line with the published award criteria and assessed in part by reference to the extent to which they deviate from the Council's original contract documents issued with this Invitation to Tender
- The Council may ask Bidders to "clarify, specify or fine-tune" their Final Tenders, so long as this would not change the basic features of the Tender
- Having completed the evaluation exercise the Council shall identify its Preferred Bidder
- Following selection of the Preferred Bidder, the Bidder will not have any further opportunity to amend or modify aspects of the Final Tender.

2.6.6. Further information will be provided in the Invitation to Tender.

2.7. Indicative Procurement Timetable

2.7.1. An indicative procurement timetable is set out in table 2.7.1. The Council reserves the right to amend or vary this timetable at any time with prior written notification to each of the short-listed Bidders.

Table 2.7.1: Indicative Timetable

Stage	Indicative Target Dates 2017	Activity
Pre Qualification (Standard Selection Questionnaire (SQ))	1 st June	OJEU notice dispatched with SQ made available to Potential Bidders
	5 th , 6 th , 7 th June and other visits by appointment	Site viewing appointments to be arranged on request
	19 th June	Bidder SQ questions / clarification deadline
	10am, 3 rd July	SQ return date
	3 rd July – 17 th July	Evaluation of SQs completed and verification of evidence (if applicable)
	17 th July	Identify and notify short listed Bidders
Initial Tenders	17 th July	Issue of invitation to Tender (ITT) to short listed Bidders
	29 th August	Bidder clarification question deadline (and meetings if required)
	18 th September	Initial Tenders return date
	23 rd October	Evaluation of Initial Tenders completed.
	23 rd October	Potential notification of preferred Bidder **at this stage the Council is permitted to accept an Initial Tender without any further negotiation as it has reserved the right to do so within the Contract Notice**
Negotiation	Tbc – allow up to 6-8 weeks for this stage if required	Issue invitation to enter into negotiation to short listed Bidders
		Negotiation meetings
		Negotiation documents return date <i>Outcome of negotiation to be documented in Bidders written submitted proposals and/or amended contract documentation.</i>
		Final evaluation of negotiation outcomes and further shortlisting (if appropriate)
Final Tender		Issue Invitation to submit a Final Tender to short listed Bidders <i>On closing the negotiation, the council will then invite the remaining Bidder(s) to submit a Final Tender.</i>
		Final Tenders Return Date
		Evaluation of Final Tenders completed.
Contract Award	Either Oct/Nov or Dec/Jan target dates dependent on whether negotiation stage is required.	Identification of Preferred Bidder
		Notification of Preferred Bidder and Standstill period observed
		Contract Award / OJEU Contract Award Notice

2.8. Pre-Qualification Stage (Selection Questionnaire)

2.8.1. The Selection Questionnaire (SQ) has been designed to assess the suitability of a Bidder to deliver the Council's contract requirement(s) as further detailed within this Information Memorandum. You are advised to read the Information Memorandum, and the notes within the SQ document, prior to the completion of the SQ. If you are successful at this stage of the procurement process, you will be selected for the subsequent award stage of the process (Competitive Procedure with Negotiation).

Notes for completion

2.8.2. The standard Selection Questionnaire is a self-declaration made by potential Bidders that they meet the requirements of this procurement. For the purposes of evaluating submitted SQs and selecting those Bidders to be taken through to the next stage the Council will rely on the information contained within the SQ responses. Bidders who are selected to be taken through to the subsequent award stage of this procurement process will be required to submit all or part of the evidence (within a set timescale) as is necessary to ensure verification of the proper conduct of the procedure. If the relevant documentary evidence referred to in the SQ is not provided upon request and without delay the Council reserves the right to amend the decision to take the Bidder through to the next stage and select the next compliant Bidder (if appropriate).

2.8.3. The SQ is structured in three separate parts:

- Part 1 – covers the basic information about the Bidder such as contact details, trade memberships, details of parent companies, group bidding and so on.
- Part 2 – covers a self-declaration whether or not any of the exclusion grounds apply.
- Part 3 – covers a self-declaration regarding whether or not the company meets the selection criteria in respect of their financial standing and technical capacity.

2.8.4. For Part 1 and Part 2 every organisation that is being relied on to meet the selection must complete and submit the self-declaration. This could be parent companies, affiliates, associates or essential sub-contractors.

2.8.5. For answers to Part 3, if you are bidding on behalf of a group, for example, a consortium, or you intend to use sub-contractors, you should complete all of the questions on behalf of the consortium and/or any sub-contractors, providing one composite response and declaration.

2.8.6. Please ensure that all questions are completed in full, and in the format requested. Failure to do so may result in your submission being disqualified. If the question does not apply to you, please state clearly 'N/A'.

- 2.8.7. Should you need to provide additional supporting information or additional sheets in response to the questions, these should be numbered clearly and cross referenced within your SQ response. A template for providing additional information is provided in APPENDIX 2: TEMPLATE FOR PROVIDING ADDITIONAL INFORMATION.
- 2.8.8. All enquiries relating to completion of responses, queries or requests for clarification should be sent by email to the Council's Authorised Officer; cgay@burnley.gov.uk The cut-off date for clarification questions is Monday 19th June, 2017. Please note that the Council will not enter into detailed discussion of its requirements at this stage. Please refer to section 2.4 for further details concerning requests for information.
- 2.8.9. If the Council considers any questions or request for points of clarification that are of material significance, both the query and the response will be communicated, in a suitably anonymous form, to all potential Bidders via the PQ Data Room. The Council will, where reasonably practicable to do so, attempt to reply to clarification requests within 3 working days.

Notes for submitting to the Council

- 2.8.10. Please return FOUR (completed) printed copies of the SQ and relevant supplementary information as requested. An electronic copy of the full SQ documentation set (as described above) must also be provided in MS Word file or PDF file format on a CD ROM or USB drive.
- 2.8.11. SQ responses must be submitted in hard printed copy via postal system or delivered by hand, in accordance with the instructions and response deadline set out below, to;
- Head of Governance, Law, Property and Regulation
Burnley Borough Council
Town Hall
Burnley
BB11 9SA
- 2.8.12. SQ responses should be submitted in a sealed package and must be clearly marked '**Curzon Street Town Centre Development SQ Response**'. It is the Bidders responsibility to ensure that the Bidder cannot be identified from the sealed package or wrappings.
- 2.8.13. It is also the Bidders responsibility to ensure that completed SQ submissions are delivered prior to the deadline and that a receipt or proof of delivery is obtained.
- 2.8.14. Any SQ delivered by hand must be taken to the Ground Floor Reception at the Town Hall on Manchester Road, Burnley and a timed receipt obtained.
- 2.8.15. The completed SQ submission and all other documents and information must be received by the Council by:

10:00 hours (GMT) on Monday, 3rd July 2017

2.8.16. The council accepts no responsibility for any SQ received in any way other than that specified above. Any SQ response received after this date and time will not be considered further. You will be informed if you have failed to meet the deadline and no appeals will be allowed.

SQ Evaluation Criteria and Scoring

2.8.17. The Council will take the Bidders with the highest scoring SQ's to Invitation to Tender stage. The Council currently anticipates taking a maximum of five Bidders to the next stage. Responses to the SQ will be evaluated and scored as shown in Table 2.8.1 on the following page.

Evaluation panel

2.8.18. The composition of the evaluation panel will be constituted from representatives of the Council's Project Team (listed below), which includes service area specialists, with technical, financial, contract management, procurement and legal expertise.

- Mick Cartledge, Chief Operating Officer
- Kate Ingram, Head of Regeneration and Planning Policy
- Lukman Patel, Head of Governance, Law, Property and Regulation
- Anthony Saulle, Development Team Leader
- Sarah Heslop, Development Officer
- Margaret Rutherford, Principal Development Surveyor
- Ian Evenett, Internal Audit Manager
- Chris Gay, Performance and Committees Manager
- Rob Dobson, Policy Manager

Table 2.8.1: Overall Evaluation Approach

Part Number	Question Number	Criteria	Purpose	Demonstrated by	Weighting
Part 1	1.1(a) – 1.3(h)	Potential Supplier Information	This is directed at establishing the credibility of the proposed contracting entity and identifies the arrangements and constitution for any consortium / sub-contracting.	For information only and is not scored	N/A
Part 2	2.1(a) – 3.2	Exclusion Grounds	This section is a self-declaration, made by you (the potential supplier), that you do not meet any of the grounds for exclusion. If there are grounds for exclusion, there is an opportunity to explain the background and any measures you have taken to rectify the situation (we call this self-cleaning). If your organisation is in this position please provide details. You may contact the Authority for advice before completing this form.	A Bidder <i>may</i> be excluded from the procurement process if they answer 'yes' to any of the situations outlined within this section of the SQ. Self-cleaning declarations will be taken into account.	Pass / Fail
Note: For Part 1 and Part 2 - every organisation that is being relied on to meet the selection must complete and submit the self-declaration					
Part 3	4.1 – 5.3	Economic and Financial Standing	The proposed invitation for tender will be for a long term contract; hence the supplier must demonstrate appropriate financial robustness and capacity.	Provision of the relevant documents (please refer to the notes contained within the SQ) to demonstrate suppliers economic/financial standing in relation to Turnover, Profitability, Liquidity and Gearing.	Total: 40 Refer to paragraphs 2.8.19 to 2.8.27

6.1	6.2	6.3	Technical and Professional Ability	This section is directed at exposing capabilities and best practice. Suppliers are required to have sufficient level of experience demonstrated by suitable contract examples and references from either the public or private sector (relevant to the requirements set out in this information memorandum).	Relevant experience and contract examples: Contract 1	Total:60 Refer to paragraph 2.8.27
					Relevant experience and contract examples: Contract 2	
					Relevant experience and contract examples: Contract 3	
					Supply chain management statement (where applicable)	
					Explanation for no contract examples provided (where applicable)	
7.1 – 7.2	Modern Slavery Act 2015	This is directed at assessing whether, where appropriate, potential suppliers are compliant with the requirements under the Modern Slavery Act 2015.	A Bidder <i>may</i> be excluded from the procurement process if they do not meet the requirements relevant to their organisation.	Pass / Fail		
8.1 (a)	Insurance	This is directed at assessing whether potential suppliers have the required levels of insurance cover.	Self-certification as to whether you already have or can commit to obtain the required insurance: Employer’s (compulsory) Liability Insurance = £5m Public Liability Insurance = £10m Professional Indemnity Insurance = £10m	Pass / Fail		
8.2(a) – 8.2(c)	Skills and Apprentices	This is directed at assessing whether potential suppliers are committed to developing and investing in skills, development and apprenticeships.	Self-certification that your organisation will support apprenticeships and skills development through this contract.	Pass / Fail		

Note: for answers to part 3 – if you are bidding on behalf of a group, for example, a consortium, or you intend to use sub-contractors, you should complete all of the questions on behalf of the consortium and/or any sub-contractors, providing one composite response and declaration.

Total Score Available 100

Evaluation of Economic and Financial Standing

2.8.19. The evaluation will measure the financial and economic standing of the supplier based on the presented financial information (see sections 4 and 5 of the selection questionnaire). The evaluation includes turnover and key financial ratios. A maximum score of 40 is available for this element.

Financial Threshold (Max score 10)

2.8.20. The turnover threshold that will apply for this contract has been set at GBP3.5 million for the supplier. A financial threshold has been set to ensure that the supplier is capable of both self-financing the scheme initially and is also able to attract the required remaining finance to fully fund the project. Where a provider cannot meet the turnover threshold as stated, a score of zero will be assigned to this evaluation criterion, and where this is met, a score of 10 will be awarded.

2.8.21. Turnover will be calculated based on an average over the two year period selected.

Profitability (Max score 10)

2.8.22. The following profitability ratios will be calculated and scored. The ratio calculated will be the mean average of the two year period selected from the financial information provided in the SQ response:

- Gross profit margin (gross profit/turnover) expressed as a percentage; and
- Net profit margin before tax (profit before tax/turnover) expressed as a percentage.

Table 2.8.2: Profitability

Gross Profit (max score 5)		Net Profit (max score 5)	
Margin (%)	Score	Margin (%)	Score
<4%	0	<1%	0
4-7%	1	1-2.9%	1
8-11%	2	3-4.9%	2
12-15%	3	5-6.9%	3
16-19%	4	7-8.9%	4
>20%	5	>9%	5

Liquidity (Max score 10)

2.8.23. The following liquidity ratios will be calculated and scored. The ratio calculated will be the mean average of the two year period selected from the financial information provided in the SQ response:

- Current ratio (current assets/current liabilities) expressed as a ratio; and
- Acid test ratio (current assets less stock/current liabilities) expressed as a ratio.

Table 2.8.3: Liquidity

Current Ratio (max score 5)		Acid Test Ratio (max score 5)	
Ratio	Score	Ratio	Score
0.00 – 0.19	0	0.00 – 0.19	0
0.20 – 0.59	1	0.20 – 0.59	1
0.60 – 0.99	2	0.60 – 0.99	2
1.00 – 1.39	3	1.00 – 1.39	3
1.40 – 1.79	4	1.40 – 1.79	4
1.8 and above	5	1.8 and above	5

2.8.24. In reviewing the financial and economic robustness of the supplier the review will ensure that the supplier has sufficient liquidity such that, in the short term, it is in sound financial health and can meet its obligations as they fall due. The ratios above, when calculated, are simple indications of the current trading position of the organisation. Year on year comparisons will also show the trend in the liquidity position of the supplier through the years.

Gearing (Max score 10)

2.8.25. The following gearing ratios will be calculated and scored. The ratio calculated will be the mean average of the two year period selected from the financial information provided in the SQ response:

- Interest cover (operating profit/interest charges) expressed as a ratio; and
- Debt gearing (long term debt/net worth) expressed as a percentage.

Table 2.8.4: Gearing

Interest Cover (max score 5)		Gearing (max score 5)	
Ratio	Score	%	Score
< 0	0	100% and above	0
0 – 0.99	1	80 – 99.99%	1
1.0 – 1.99	2	60 – 79.99%	2
2.0 – 3.99	3	40 – 59.99%	3
4.0 – 6.99	4	20 – 39.99%	4
7.0 and above	5	0 – 19.99%	5

2.8.26. Interest cover represents the number of times historical interest expense is covered by operating profits and is an indicator of the supplier’s historical financial risk. The financial gearing of the supplier is an indication of the debt burden borne by the supplier. The lower the gearing, the less constrained by debt the supplier is.

Evaluation of technical and professional ability

2.8.27. Responses to section 6 will be evaluated by the Council with regard to the scoring guidelines set out in Table 2.8.5 below and the relevant information provided by potential Suppliers. A

maximum score of 60 is available for this element. The list of factors to be taken into account when scoring submissions (where appropriate) are:

- experience of up to 3 similar projects (within the last 5 years) to the requirements of the Council as set out in Section 1: THE OPPORTUNITY of this document;
- customer references – the Council will issue the Reference Request at APPENDIX 3: REFERENCE REQUEST (example only) to the customer contact details in the Selection Questionnaire for each contract example supplied. **Suppliers must therefore make best endeavors to ensure that the references provided are available for contact during the evaluation period;**
- supply chain management (applicable to those Suppliers who intend to sub-contract a proportion of the contract); and,
- explanation from suppliers who are unable to provide at least one example for question 6.1.

Table 2.8.5: Scoring guidelines for section 6 (technical and professional ability)

45-60	Good response. Clearly describes the bidder’s capabilities in delivering the requirements in scope; and demonstrates complete understanding. Provides additional relevant information. Clearly demonstrates experience relevant to the contract requirements with reference to; the size, quality and nature of the development; the development mix of occupiers; the scheme financial model; deliverability; and, partnership working with the public sector and other project partners/stakeholders.
30-45	Satisfactory response. Experience describes the bidder’s capability in relation to the requirements; and demonstrates understanding. Outlines experience which is broadly relevant to the contract requirements with reference to; the size, quality and nature of the development; the development mix of occupiers; the scheme financial model; deliverability; and, partnership working with the public sector and other project partners/stakeholders.
15-30	Minimal or poor response. Experience provides little indication of the bidder’s capability of delivering the requirements; or only partially meets the requirements; and / or demonstrates partial understanding. Outlines experience which is narrowly relevant to the contract requirements with reference to; the size, quality and nature of the development; the development mix of occupiers; the scheme financial model; deliverability; and, partnership working with the public sector and other project partners/stakeholders.
0-15	Nil or inadequate response. Experience with little or no description of the potential bidders capability of delivering the requirements; or does not meet the requirement; and/or demonstrates no understanding; and/or, poor and/or no return of client technical reference(s) . Very little or no experience which is relevant to the contract requirements with reference to; the size, quality and nature of the development; the development mix of occupiers; the scheme financial model; deliverability; and, partnership working with the public sector and other project partners/stakeholders.

2.9. Confidentiality and Disclaimer

- 2.9.1. This document is intended only as an explanation of the Council's activities and plans and does not purport to be all inclusive or to contain all of the information that a prospective Bidder may require and Bidders should make their own investigations and their own independent assessment of the Council and its requirements and should seek their own professional advice and assistance including financial and legal advice.
- 2.9.2. Neither the Council, nor its members, officers, partners, directors, employees, contractors, agents or advisers (all such persons being hereinafter referred to as "representatives") makes any representation or warranty (express or implied) as to the accuracy, reasonableness or completeness of the information provided.
- 2.9.3. Neither the Council, their advisers, nor any of their representatives, accepts any responsibility for the information contained in this Information Memorandum or for its fairness, accuracy or completeness. Nor shall any of them be liable for any loss or damage (other than in respect of fraudulent misrepresentation) arising as a result of reliance on such information or any subsequent communication. Only the express terms of any written contract relating to the subject matter of this Information Memorandum as and when it is executed shall have any contractual effect in connection with the matters to which it relates. Any such contract will be governed by English Law.
- 2.9.4. Bidders and other recipients of this Information Memorandum are reminded that the issue of this Information Memorandum in no way commits the Council to award any contract pursuant to the tender process and that neither the Council, nor any of their advisers, shall be liable for any expenses incurred by Bidders or such recipients in connection with the tender process.
- 2.9.5. In the event of any conflict arising between any of the provisions of the SQ document issued by the Council and those submitted by Bidders, the Council's document shall be the definitive version.

APPENDIX 1: BIDDERS QUESTION FORM

BURNLEY BOROUGH COUNCIL

Curzon Street Town Centre Development

Instructions and guidance

1. Any question relating to the procurement must be sent by email to the following:-
cgay@burnley.gov.uk
unless questions are part of a clarification or familiarisation process meeting.
2. Bidders should frame questions clearly and concisely and submit in the form attached below.
3. The Council will endeavour to respond in writing as quickly as possible but reserve the right to decline to answer a question or provide information requested.
4. The Council reserve the right to share the replies to questions with other Bidders without further reference to the Bidder raising the question.
5. Bidders are reminded that the same rules as to confidentiality apply to the information provided in replies to questions as apply in relation to the remainder of information provided under this procurement.

From (Bidders Name)	
Bidders Contact Name	
Subject area (Delete as appropriate)	Legal / Technical / Financial
Date of Request	
Bidders Query:-	
Response Date	
Council Response:-	

APPENDIX 3: REFERENCE REQUEST (example only)

Reference Request June 2017

Procurement to appoint developer for a leisure-led mixed use town centre development

XXX has provided your Council/ Organisation as a reference in connection with a tender pre-qualification exercise with Burnley Borough Council to appoint a developer for a leisure-led development.

Please could I ask you to complete the sections below. All information returned will be kept strictly confidential. I would be grateful if you could provide your reference, by return email to cgay@burnley.gov.uk by **[date]**.

Thank you.

1. Please indicate the services you receive/d from the provider named above

2. Please give a brief outline of the contract specification

3. Over what period have these services been delivered to you by this provider

4. Please detail any supply chain or consortium arrangements in relation to the supply of these services

5. Please indicate your satisfaction with performance against the agreed specification in relation to services provided

6. Would you be prepared to procure from this provider again in the future

7. Additional Comments

Council/ Organisation:

Name:

Date:

Position: