**Brief for financial support for the Station Approach Project**

This brief sets out the Council’s requirements and invites proposals from suitable consultants to undertake the work.

**Summary**

Station Approach is a development project to revitalise the area of Winchester between the Cattlemarket and the railway station. The Vision for Winchester and Local Plan Part 1 identify the area around Winchester railway station as lending itself to development to provide a new area of commercial, office, residential and retail space to strengthen Winchester’s economy and enhance the local environment. The area in question has been informally christened ‘Station Approach’ and includes the old Carfax site (including the former registry office building), the current Cattlemarket car park and it also incorporates the area of public realm between the two sites.

The project is currently at the feasibility stage and a design competition is currently underway for the Carfax site, with the outcome known in May 2016. The following options have been identified for the Station Approach Project:

Option A No development/improvement could take place in the area **(do nothing).**

Option B Minimal improvements could take place in the area to enhance the public realm and walking and cycling routes **(do minimum).**

Option C The Carfax and Cattlemarket sites could be developed for housing and public open space only **(public sector comparator).**

Option D The Council sells both sites with planning permission and seeks for them to be developed externally.

Option D1 the Council sells both sites with planning permission and has no further involvement.

Option D2 the Council sells both sites with planning permission and buys back the car parking element.

Option D3 the Council sells both sites with planning permission and buys back the car parking and office elements and the Council grant leases for the office accommodation.

Option E The Council undertakes the development of the sites and retains ownership of the sites.

Option E1 the Council builds all of the elements of the development and grant leases for the office accommodation.

Option E2 the Council builds the car parking and office elements and sells the rights to build the housing element.

**Deadline for bids**

Bids from appropriate organisations should be submitted **by 12pm on Wednesday, 20 April 2016**, in accordance with the requirements set out in Section 3.3 of this specification.

1. **Background information and documents**

Background information on Station Approach is available from the Council’s website [(click here)](http://www.winchester.gov.uk/planning/major-sites/station-approach/).

Other useful background documents are as follows:

* Cabinet reports 06 July 2015 [click here](http://www.winchester.gov.uk/assets/files/23930/CAB2702.pdf)

 17 September 2015 [click here](http://www.winchester.gov.uk/assets/files/24627/CAB2716-Station-Approach-Design-Brief-Final.pdf)

 13 January 2016 [click here](http://www.winchester.gov.uk/assets/files/25619/CAB2759.pdf) report

 [click here](http://www.winchester.gov.uk/assets/files/25620/CAB2759-APPENDIX-1.pdf) appendix

* Business Case uploaded as attachment to the advert
1. **The Commission**

**2.1 The Brief**

An economic appraisal and a financial appraisal of the options are required for the Carfax site (the Cattlemarket site may follow later if needed) and should cover the following:

|  | **Economic Appraisal** | **Financial Appraisal** |
| --- | --- | --- |
| Focus | * VFM – net present value (NPV).
 | * Funding and affordability in the context of the Council’s overall budgetary position – including cash flow and any stock
 |
| Coverage | * Regional coverage – Government and Society.
 | * Relevant organisation(s).
 |
| Relevant standards | * HM Treasury Green Book and supplementary guidance.
* Discount rate to be applied at a rate to be agreed with the Council.
 | * Organisational accounting rules and standing orders.
* No discount rate applied.
 |
| Analysis | * Constant (base year) prices.
* Includes opportunity cost.
* Includes all quantifiable costs, benefits and risks to both organisation and wider society.
* Includes environmental costs.
* Excludes all Exchequer ‘transfer’ payments – for example, VAT.
* Excludes general inflation.
* Excludes sunk costs.
* Excludes depreciation and capital charges.
* Identification of risks for the Council to agree how risks are incorporated into the NPV calculations.
* Sensitivity analysis
 | * Current (nominal) prices.
* Benefits – cash releasing only.
* Includes capital and revenue costs.
* Includes transfer payments – for example, VAT.
* Includes inflation.
* Includes depreciation and capital charges.
 |

We may also require other specialist financial advice, appropriate to the project.

Some ongoing financial support may be needed and the level will be dependent on the option that is taken forward.

**2.1 Commission outputs**

* Submission of a draft report for comment (along with financial model)
* Presentation of the report findings to officers (1 meeting of approx. 3 hours total)
* Submission of 5 bound copies of the final report
* Electronic copy of the economic appraisal and NPV calculation (Excel)
* Electronic copy of the financial appraisal (and the financial model (Excel).
* Electronic copy of final report for public viewing (PDF with commercially sensitive information removed).

The outputs required of any ongoing financial support needed will be dependent on the option that is taken forward.

**2.2 Fees**

Payment of fees for the economic and financial appraisals will be on completion of the appraisals to the Council’s satisfaction.

Any other specialist financial advice requested of the appointed consultant will be classed as additional work. The parties must first agree, in writing, the content and cost of any such work before it is undertaken.

Any ongoing financial support that may be required will be classed as additional work. The parties must first agree, in writing, the content and cost of any such work before it is undertaken.

1. **Making a bid**

**3.1 Eligibility to bid**

This commission has been advertised on the South East Business Portal on Contracts Finder and on the Councils website. Bids may be submitted by any organisation that has been trading for a minimum of 3 years and which considers itself able to fulfil the brief effectively.

**3.2 Timetable**

|  |  |
| --- | --- |
| Client issues brief | 08-Apr-16 |
| Deadline for bids to be submitted to the Council | 20-Apr-16 by 12pm |
| Interview shortlisted bidders | 28-Apr-16 |
| Selection of the preferred consultant | 29-Apr-16 |
| Inception meeting with client | 03-May-16 |
| Deadline for draft report of the economic and financial appraisals | 20-May-16 |
| Present findings to client | 07-Jun-16 |
| Deadline for final report of the economic and financial appraisals | 14-Jun-16 |
| Agreement to be reached on level of any ongoing financial support | 03-Aug-16 |

**Please note these dates in your diary as they cannot be changed to accommodate individual bidders. The Council reserves the right to change the dates at its sole discretion.**

**The interviews will take place at Winchester City Council’s offices in Colebrook Street, SO23 9LJ.**

**3.3 Content of the Bid**

Your bid should be no more than 2 pages of A4 with relevant supporting documents included in the appendix. The following details should be included:

* Lead consultant / company name and contact details, including registered office and registered number for companies.
* Brief details of any similar projects undertaken, including the cost and the level of complexity of the development projects that were appraised as well as contact details for references.
* Details of any sub-contractors likely to be involved in the project.
* CVs of the person(s) who will carry out the work including grade, qualifications and experience.
* Day rates for each individual involved and the number of days each person is expected to spend on the project.
* Cost of work (inclusive of all client meetings, commission outputs, and expenses).
* Proposed project plan setting out the process you will go through to complete the work and showing how you will meet the requirements set out in this brief.
* A description of how you will model the options including what factors will be taken into account.
* Confirmation that you can deliver to the set deadline and are available to attend the meetings listed in the timetable.
* Contact details for references from two clients where economic and financial appraisals have been undertaken for them on projects of a similar or higher level of cost and complexity to Station Approach.
* A copy of the audited accounts for the most recent 3 years.

**3.4 Evaluation process and criteria**

**All bids will be evaluated in the following sequence:**

* Check that the organisation has been trading for a minimum of 3 years.
* Check that the bid contains confirmation that the work can be delivered to the set deadline and the assigned personnel are available to attend the meetings listed in the timetable.
* Financial checks on organisations.
* Short listing by the evaluation panel of a maximum of 5 bids.
* References will be followed up for shortlisted organisations.
* Panel (circa 45 minutes) interview of shortlisted organisations.

**The evaluation criteria are as follows:**

*Initial checks*

|  |  |
| --- | --- |
| Organisation has been trading for a minimum of 3 years | pass / fail |
| Confirmation that the work can be delivered to the set deadline and the assigned personnel are available to attend the meetings listed in the timetable | pass / fail |
| Financial checks | pass / fail |

Failure to pass any of the initial checks will result in disqualification from the process.

The bids that pass the initial checks will then be evaluated as follows:

60% on price

40% on quality, of which:

10% bid

30% panel interview

*Evaluation criteria for price (240 marks are available = 60%)*

The lowest priced bid will score 240 marks and each higher bid will lose 1% (2.4 marks) for each 1% in price that they are higher than the lowest priced bid. The maximum reduction in marks applied will be 240 marks.

*Evaluation criteria for the bid (40 marks are available = 10%)*

The bid should:

|  |
| --- |
| demonstrate a proper understanding of the requirements of the Brief |
| * content complies with section 3.3 of the brief
 | 4 marks |
| * clarity and structure of submission
 | 2 marks |
|  | 6 marks |
|  |  |
| demonstrate that the organisation has the necessary experience to complete the work successfully |
| * experience of appraising development projects in the last 5 years \*
 | 2 marks |
| * experience of appraising development projects with a similar or higher level of cost to Station Approach in the last 5 years \*
 | 2 marks |
| * experience of appraising development projects with a similar or higher level of complexity to Station Approach in the last 5 years \*
 | 6 marks |
| * clarity, structure and content of the project plan \*
 | 4 marks |
| * content of proposals for modelling the options
 | 2 marks |
| * factors that will be taken into account for modelling the options
 | 2 marks |
|  | 18 marks |
|  |  |
| allow for sufficient suitably qualified and experienced personnel and that a suitable amount of time is allocated to the work by these individuals |
| * suitably qualified personnel assigned to the work \*
 | 4 marks |
| * suitably experienced personnel assigned to the work \*
 | 6 marks |
| * suitable amount of time is allocated to the work by these individuals \*
 | 6 marks |
|  | 16 marks |

\* any evaluation criteria with an asterisk against them, require a minimum score of 50% of the marks to be achieved, otherwise this will result in disqualification from the process

References will be followed up for shortlisted organisations. If the references are not satisfactory, this will result in disqualification from the process.

*Evaluation criteria for the panel interview (120 marks are available = 30%)*

The shortlisted organisations will be provided with the evaluation criteria for the panel interview at the time that the invitation is issued. Please note that the evaluation panel will expect to meet personnel involved in the delivery of the programme at the presentation stage, and not other organisational representatives.

The Council reserves the right not to award the contract to any bidder.

**3.5 Contracting Arrangements**

Following the selection of the preferred bidder there will be an inception meeting at which contractual details can be finalised and any further clarification sought.

A letter of engagement will then be issued, and must be accepted within 1 week in order for the contract to begin.

1. **Making a Bid**

Bids should be received **by 12pm on Wednesday, 20 April 2016**. Please post one hard copy as well as emailing one electronic copy to:

Jayne Green

Project Manager

Winchester City Council

City Offices

Colebrook Street

Winchester

SO23 9LJ

Tel: 01962 848 544

Email: jgreen@winchester.gov.uk

**Please mark the email ‘Station Approach Financial Support - Confidential’.**

Proof of posting is not considered to be proof of receipt. You may wish to send your bid by a ‘signed for’ service.

If there are any queries regarding the overall project and its progress, please contact Jayne Green on 01962 848 544 or via email at jgreen@winchester.cov.uk

For questions specifically relating to this brief please contact Danaë Fiedler on 01962 848 117 or via email at dfiedler@winchester.gov.uk

1. **Conditions**

The Council reserves the right to withdraw from using the services of the consultant at any time during the project if it is not satisfied with the standard or quality of the work.

No part of the work should be sub-contracted to third parties without the Council’s prior consent.

The appointed consultant shall at all times be fully covered by professional indemnity insurance (£5 million professional for each and every claim and also confirm that such insurance will be maintained until the expiry of 12 years following the date of completion of the services).

The appointed consultant shall at all times be fully covered by public liability insurance (not less than £10 million for any one occurrence or series of occurrences arising out of one event, the total number of events being unlimited).

The Council will own the copyright of the final report and will have the right to copy, publish and distribute it as required (subject to the work being accredited to the consultant).