

**United Kingdom-Sale: Real estate services**  
**OJ S 110/2019 10/06/2019**  
**Contract notice**  
**Services**

**Legal Basis:**

Directive 2014/24/EU

---

**Section I: Contracting authority**

---

**I.1. Name and addresses**

Official name: STAR Procurement  
Postal address: 4th Floor, Waterside House, Waterside Plaza  
Town: Sale  
NUTS code: UKD35 Greater Manchester South East  
Postal code: M33 7ZF  
Country: United Kingdom  
Contact person: Mr Mike Fanning  
E-mail: [michael.fanning@star-procurement.gov.uk](mailto:michael.fanning@star-procurement.gov.uk)  
Telephone: +44 1619121616

**Internet address(es):**

Main address: <http://www.stockport.gov.uk/>  
Address of the buyer profile: <http://www.stockport.gov.uk/>

**I.1. Name and addresses**

Official name: Greater Manchester Combined Authority  
Postal address: Churchgate House, 56 Oxford Street  
Town: Manchester  
NUTS code: UKD3 Greater Manchester  
Postal code: M1 6EU  
Country: United Kingdom  
Contact person: Andrew McIntosh  
E-mail: [Andrew.McIntosh@greatermanchester-ca.gov.uk](mailto:Andrew.McIntosh@greatermanchester-ca.gov.uk)

**Internet address(es):**

Main address: <https://www.greatermanchester-ca.gov.uk>  
Address of the buyer profile: <http://procontract.due-north.com/register>

**I.1. Name and addresses**

Official name: Stockport Metropolitan Borough Council  
Postal address: Stopford House  
Town: Stockport  
NUTS code: UKD35 Greater Manchester South East  
Postal code: SK1 3XE  
Country: United Kingdom  
Contact person: Paul Richards  
E-mail: [paul.richards@stockport.gov.uk](mailto:paul.richards@stockport.gov.uk)

**Internet address(es):**

Main address: <http://www.stockport.gov.uk/>  
Address of the buyer profile: <http://procontract.due-north.com/register>

## **I.2. Information about joint procurement**

The contract involves joint procurement

## **I.3. Communication**

The procurement documents are available for unrestricted and full direct access, free of charge, at: <https://procontract.due-north.com/register>

Additional information can be obtained from the abovementioned address

Tenders or requests to participate must be submitted electronically via: <https://procontract.due-north.com/register>

## **I.4. Type of the contracting authority**

Regional or local authority

## **I.5. Main activity**

General public services

## **Section II: Object**

---

### **II.1. Scope of the procurement**

#### **II.1.1. Title**

Development Partner for Residential Mixed Use Development within Stockport Town Centre (part of Transport Interchange Facility and associated Green Space Park)

Reference number: DN414334

#### **II.1.2. Main CPV code**

70000000 Real estate services

#### **II.1.3. Type of contract**

Services

#### **II.1.4. Short description**

Stockport Metropolitan Borough Council (SMBC), in conjunction with the Greater Manchester Combined Authority (GMCA) as co-promoters (with Transport for Greater Manchester (TfGM) leading from a delivery perspective) are seeking to identify a prospective development partner relating to the residential development element of the Stockport Interchange Mixed Use scheme. The Stockport Interchange Mixed Use scheme comprises redevelopment of the existing bus station within Stockport town centre, to create a mixed-use development which drives both financial and regeneration benefits from the site. The development partner is required to invest equity investment and secure development funding, assist with design development, and implement residential property and asset management (including lettings and tenants) relating to the residential development element. Following identification of a development partner they will subsequently enter into a Special Purpose Vehicle (SPV) with SMBC and GMCA.

#### **II.1.5. Estimated total value**

Value excluding VAT: 40 000 000,00 GBP

#### **II.1.6. Information about lots**

This contract is divided into lots: no

### **II.2. Description**

#### **II.2.2.**

### **Additional CPV code(s)**

70130000 Letting services of own property, 70210000 Residential property renting or leasing services, 70310000 Building rental or sale services, 70332000 Non-residential property services, 71210000 Advisory architectural services

### **II.2.3. Place of performance**

NUTS code: UKD3 Greater Manchester

Main site or place of performance: Stockport.

### **II.2.4. Description of the procurement**

— Stockport Metropolitan Borough Council (SMBC) and the Greater Manchester Combined Authority (GMCA) as co-promoters are seeking via this procurement to appoint a development partner for a residential development (adopting a private rented sector commercial model and comprising circa 196 units in a mixture of 2 bed and 1 bed units finished to a high standard) with provision for car parking spaces and commercial/amenity space beneath (the 'Residential development'). The three main requirements are the following, with further detail in the descriptive document made available electronically:

- 1) Invest equity in to a Special Purpose Vehicle (SPV) and secure development funding sufficient to deliver the Residential Development;
- 2) Adopt a collaborative working partnership with SMBC, GMCA and TfGM to progress the design development and delivery of the Residential Development. To include identification and delivery of value engineering opportunities and maximising gross development value and financial returns to stakeholders; and
- 3) Implement residential property and asset management via the SPV over a minimum term, including management of lettings and tenants:

— the Residential Development is part of a Mixed Use scheme that also includes the development of a new state of the art transport Interchange, a raised podium creating high quality 'green' public space, enhanced connectivity to the town's rail station and River Mersey frontage, together with a range of additional ancillary infrastructure (the 'Scheme'),

— SMBC and GMCA will invest 'patient equity' into the SPV collectively up to 10 000 000 GBP in order to ensure the viability of the residential development. The SPV will retain and operate the residential development for a term that is sufficient to allow for the capital appreciation of the asset and repayment with return of the patient equity invested by SMBC and GMCA over and above development partner returns prior to any disposal,

— Transport for Greater Manchester (TfGM) are leading the delivery of the whole mixed use scheme and are responsible for funding the redevelopment of the Interchange and the other infrastructure enhancements, including the 'green' public space and improved connectivity proposals, SMBC and GMCA are seeking to secure the funding and ongoing management and operation of the residential development element of the scheme, through appointment of a development partner,

— the strategy for the delivery of the the mixed use scheme comprises comprises the appointment by TfGM of a single works contractor (the 'DB Contractor') to undertake the design and build of the entire mixed use scheme.

The procurement process for the DB Contractor will be undertaken separately but in parallel to this procurement process (which is being undertaken to secure a development partner for the residential development). For the avoidance of doubt, the design and build contractor element is not part of this opportunity but the development partner will be expected to input into the design process with the separately appointed DB Contractor as outlined below. This strategy

has been developed to address the key challenges faced and earliest buildability input and a single point of accountability for interfaces between multiple scheme elements were considered to be key,

— the DB Contractor will be appointed under a 2 stage procurement process. The first stage being the further development of the design ('the preconstruction stage'). For the second stage, detailed 'design and construction stage', it has been recognised that the prospective development debt funder (the 'Debt Funder') for the residential development may have its own requirements which will need to be reflected in the contract delivery structure. Therefore, it is intended that the DB Contractor will be appointed by TfGM under 2 separate contracts; for the interchange/park; and the residential development.

#### **II.2.5. Award criteria**

Price is not the only award criterion and all criteria are stated only in the procurement documents

#### **II.2.6. Estimated value**

Value excluding VAT: 40 000 000,00 GBP

#### **II.2.7. Duration of the contract, framework agreement or dynamic purchasing system**

Start: 04/11/2019 End: 31/10/2034

This contract is subject to renewal: no

#### **II.2.9. Information about the limits on the number of candidates to be invited**

Envisaged number of candidates: 4 Objective criteria for choosing the limited number of candidates:

Selection of suppliers to be invited to participate in dialogue will be based on information provided in response to the selection questionnaire (SQ) and descriptive document which will be made available via ProContract.

The SQ contains further detail on how the suppliers will be selected.

#### **II.2.10. Information about variants**

Variants will be accepted: no

#### **II.2.11. Information about options**

Options: no

#### **II.2.13. Information about European Union funds**

The procurement is related to a project and/or programme financed by European Union funds: no

#### **II.2.14. Additional information**

### **Section III: Legal, economic, financial and technical information**

---

#### **III.1. Conditions for participation**

##### **III.1.1. Suitability to pursue the professional activity, including requirements relating to enrolment on professional or trade registers**

List and brief description of conditions:

Information, formalities and necessary requirements to be met will be set out in selection questionnaire, descriptive document and any other documentation which will be made available via Pro-Contract. We reserve the right to require guarantees, bonds and/or any other forms of security, that may include parent company guarantees.

### **III.1.2. Economic and financial standing**

Selection criteria as stated in the procurement documents

### **III.1.3. Technical and professional ability**

Selection criteria as stated in the procurement documents

## **III.2. Conditions related to the contract**

### **III.2.2. Contract performance conditions**

Information, formalities and necessary requirements to be met will be set out in selection questionnaire, descriptive document and any other documentation which will be made available via Pro-Contract. We reserve the right to require a consortium to take a specific legal form and/or be jointly and severally liable for delivery of the contract.

## **Section IV: Procedure**

---

### **IV.1. Description**

#### **IV.1.1. Type of procedure**

Competitive dialogue

#### **IV.1.3. Information about a framework agreement or a dynamic purchasing system**

#### **IV.1.8. Information about the Government Procurement Agreement (GPA)**

The procurement is covered by the Government Procurement Agreement: yes

### **IV.2. Administrative information**

#### **IV.2.2. Time limit for receipt of tenders or requests to participate**

Date: 22/07/2019

#### **IV.2.3. Estimated date of dispatch of invitations to tender or to participate to selected candidates**

#### **IV.2.4. Languages in which tenders or requests to participate may be submitted**

English

#### **IV.2.6. Minimum time frame during which the tenderer must maintain the tender**

Duration in months: 6 (from the date stated for receipt of tender)

## **Section VI: Complementary information**

---

### **VI.1. Information about recurrence**

This is a recurrent procurement: no

### **VI.3. Additional information**

— the selection questionnaire, descriptive document and the draft invitation to participate in dialogue documents are available via <https://procontract.due-north.com/register> and the opportunity is entitled 'Development Partner for Residential Mixed Use Scheme in Stockport Town Centre (part of Transport Interchange Facility and associated Green Space Park)' (Pro-Contract reference: tbc),

— note the return date and time in IV.2.2) is the final date for submission of the completed selection questionnaire,

- all communications, including selection questionnaire responses and tender submissions must be written in English and priced in pounds sterling,
- nothing in this procurement process is intended to form any express or implied contractual relationship between the parties unless and until the award of a contract is concluded,
- any contract entered into as a result of this procurement will be considered to be a contract governed by English Law and subject to the exclusive jurisdiction of the Courts of England and Wales,
- this is a joint procurement and SMBC is acting on its own behalf and on behalf of GMCA relating to this procurement only,
- SMBC and GMCA are not liable for any costs, fees or expenses (including third party costs, fees or expenses) incurred by those expressing an interest in, negotiating or tendering for this contract opportunity,
- SMBC and GMCA reserves the right to terminate or suspend this procurement process or to amend or vary the process at any time without liability to any party,
- SMBC and GMCA reserves the right to disqualify any candidate who provides information or confirmations which later proves to be untrue or incorrect; does not supply the information required by this notice or by the selection questionnaire or invitation to participate in dialogue or as otherwise directed by SMBC and GMCA during the procurement process; or fulfils any one or more of the criteria stated in the selection questionnaire, including Regulation 57 of the Public Contracts Regulations 2015,
- further to II.1.5) the estimated scheme construction cost (which therefore excludes the costs for providing residential asset management services and the financing costs — see below) is between 35 000 000 GBP and 40 000 000 GBP. This scheme cost will be funded by a mixture of equity and debt funding from the Development Partner to the SPV (with the operational costs expected to be met from revenue). In addition, SMBC and GMCA will provide patient equity to the SPV. A Housing Infrastructure Fund grant is also available from MHCLG to complete the funding package,
- bidders will be remunerated for their equity investment in the SPV via a preferential return based upon their proposed hurdle IRR included within their solution,
- further to II.2.7) duration of the contract is included as 15 years, which is the current assumption based on an estimated 3 year design and construction period for the residential development, followed by a further estimated period of 12 years as there will be a requirement for the development partner to commit to a hold period in respect of the asset in order to allow for repayment, albeit this hold period will be dependent upon the final contract price and funding solution proposed. This total period of 15 years is therefore an assumption at this stage but may be up to 25 years, to be confirmed upon completion of the First Stage (the pre-construction stage).

#### **VI.4. Procedures for review**

##### **VI.4.1. Review body**

Official name: High Court of Justice

Town: London

Postal code: WC2A 2LL

Country: United Kingdom

##### **VI.4.3. Review procedure**

Precise information on deadline(s) for review procedures:

Part 3 of the Public Contracts Regulations 2015 address the remedies available to economic operators. SMBC and GMCA will incorporate a minimum 10 (ten) calendar day standstill

period in accordance with Regulation 87 of the Public Contracts Regulation 2015 prior to concluding the award of any contract pursuant to this notice.

**VI.5. Date of dispatch of this notice**

05/06/2019