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Tender

Development Partner for Shrub Hill Quarter, Worcester

Worcestershire County Council

F02: Contract notice

Notice identifier: 2025/S 000-004500

Procurement identifier (OCID): ocds-h6vhtk-04dd92

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Section I: Contracting authority

I.1) Name and addresses

Worcestershire County Council

County Hall

WORCESTER

WR5 2NP

Contact

Claire Wooding

Email

cwooding1@worcestershire.gov.uk

Country

United Kingdom

Region code

UKG12 - Worcestershire

Justification for not providing organisation identifier

Not on any register

Internet address(es)

Main address

[worcestershire.gov.uk,http://www.worcestershire.gov.uk](http://www.worcestershire.gov.uk)

I.3) Communication

The procurement documents are available for unrestricted and full direct access, free of charge, at

<https://www.in-tendorganiser.co.uk/worcestershire>

Additional information can be obtained from the above-mentioned address

Tenders or requests to participate must be submitted electronically via

<https://www.in-tendorganiser.co.uk/worcestershire>

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 Shrub Hill Quarter, Worcester

II.1.2) Main CPV code

- 45111291 - Site-development work

II.1.3) Type of contract

Works

II.1.4) Short description

Worcestershire County Council ("WCC") is seeking to procure a Development Partner for part of the Shrub Hill Quarter, an area which extends from Shrub Hill Station to the city centre.

The proposed development of Shrub Hill Quarter (of which this opportunity comprises part) has the potential to become one of the largest regeneration initiatives in the region, offering a unique opportunity to transform a significant part of Worcester, close to the city centre, and create an exemplary mixed-use neighbourhood. There is potential that the rail station at Shrub Hill will benefit from future signalling upgrades, which will significantly improve the city's connectivity and accessibility.

Over the past few years, WCC has begun to unlock long-term opportunities by developing a concept masterplan, the Shrub Hill Spatial Blueprint, and securing funding to aid with the demolition and redevelopment of key components of Phase 1. A range of technical due diligence has already been undertaken across the land assets that WCC own, which comprise the whole of Phase 1. A Shrub Hill Supplementary Planning Document (SPD) is also due to be adopted shortly. This work has been undertaken with the support of key public sector partners, including Worcester City Council and London and Continental Railways (LCR).

WCC are looking forward to working with the selected partner to secure the successful delivery of the vision as follows:

"With transformed national connectivity and inspiring heritage, Shrub Hill will become a vibrant new community and destination for Worcester. It will be a home for enterprise, ideas, and experiences; a place which is recognised for sustainable and innovative forms

of living, working and relaxing, and which is driven by local energy & participation. Supporting City and County investment and growth aspirations, it will become established as an exemplar for successful and inspiring urban renewal and investment".

The vision and overarching ambitions for the Shrub Hill Quarter are described in more detail within the Shrub Hill Quarter Vision document which was jointly created by Worcestershire County Council and Worcester City Council and endorsed by the Worcestershire Local Enterprise Partnership.

Preliminary studies suggest that in the next 20 years the area could provide:

- Up to 5,000 jobs
- 500 + homes
- A new gateway to Worcester City Centre
- 2 hectares of new public space.

The Quarter will be an extension of the city centre and provide excellent local, regional and national connections. The employment element will co-exist with new homes, concentrating around a re-energised canal and high quality public realm.

The Quarter will develop along a main green spine which will connect Shrub Hill Station to the city and this will be supported by a series of new pedestrian and cycle links through the area. The layout of the Quarter will be generated from movement routes and view corridors with a particular focus on using the area's heritage (canal and built form) to establish character and reinforce wayfinding.

Illustrative masterplan example for entire vision area:

Residential approx. 37,000 sq m (398,265 sq ft)

Commercial approx. 87,500 sq m (941,842 sq ft)

Residential parking approx. 140

Commercial parking approx. 380

Following Cabinet approval in March 2024, supported by Soft Market Testing in August 2023 and August 2024, WCC now intends to formally procure a development partner to take forward the development of WCC's land in the Shrub Hill Quarter.

A Descriptive Document is made available that sets out the principal objectives and the

requirements of the Competitive Dialogue procurement process, alongside a summary of the key components of the opportunity.

NB The estimated total value included in II.1.5 is further clarified as being the Phase 1 Indicative GDV which is estimated at £80m - £90m.

II.1.5) Estimated total value

Value excluding VAT: £80,000,000

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.3) Place of performance

NUTS codes

- UKG12 - Worcestershire

II.2.4) Description of the procurement

The Shrub Hill Quarter Vision area within WCC's ownership is the extent of the contracted area within which WCC would like to engage with the Development Partner. Noting however that WCC also wishes to work with the Development partner to unlock delivery of the wider vision area.

Phase 1 comprises of all the land owned by WCC and will be the principal focus for the Development Partner in the early stages. This includes Lower Yard and Upper Yard.

Alongside the delivery of Phase 1, WCC wish to work collaboratively with the Development Partner, and other public sector partners where appropriate, to unlock and deliver critical assets which are collectively considered essential to bring forward as subsequent phases of the wider vision.

Within the vision area, there will also be a need to consider the public realm, pedestrian and cyclists routes, maximising canal accessibility and car parking to provide the underlying infrastructure and connectivity to support regeneration and its linkages with the city centre.

WCC's commitment to the Shrub Hill Quarter regeneration is driven by the following objectives:

- For WCC's assets to unlock the delivery of the vision for Phase 1 of the Shrub Hill Quarter, which maximises on the potential for growth and enhanced connectivity in the future.
- To benefit from long term, sustainable investment return opportunities in and around the Shrub Hill Station area, maximising on opportunities for value capture from the Project which can be reinvested.
- To deliver on the placemaking, economic and regeneration ambitions and outputs of the Shrub Hill Quarter as set out in the SPD and Shrub Hill Quarter Vision document.
- To ensure best value and achievement of value for money outcomes for WCC in relation to their landholdings.

In terms of Partnering structure, WCC are seeking to appoint a Master Developer to work collaboratively with them to unlock the delivery of the Shrub Hill Quarter vision.

Pursuant to a Development Agreement for Lease and Development Leases, the parties will have defined roles and responsibilities to unlock a phased delivery and drawdown of the site with a share on the commercial return, after costs, either as land receipt and/or surplus profit.

The partnering arrangement will be via a Development Agreement for Lease allowing for the draw down of development leases. The contractual arrangements will approach the opportunity in three stages:

Part 1 - The first part will deal with the requirements to drawdown the land/assets within Phase 1 that can deliver an early phase of development within the specified requirements set out in funding parameters already secured.

Part 2 - The second part will deal with further developing the Vision for the whole of Phase 1, to include master planning, a planning application process for Phase 1 and, subject to achieving an acceptable planning permission, the subsequent phased delivery of development.

Part 3 - The third part will be to work collaboratively with WCC (and other partners where appropriate) to unlock wider assets and infrastructure that could support the delivery of the wider Vision.

II.2.5) Award criteria

Quality criterion - Name: Quality / Weighting / Weighting: 65

Cost criterion - Name: Cost / Weighting / Weighting: 35

II.2.6) Estimated value

Value excluding VAT: £80,000,000

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

Duration in months

60

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

II.2.10) Information about variants

Variants will be accepted: No

II.2.11) Information about options

Options: No

II.2.14) Additional information

NB The estimated total value included in II.2.6 is further clarified as being the Phase 1 Indicative GDV which is estimated at £80m - £90m.

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

In the procurement documents

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

In the procurement documents

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Competitive dialogue

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

13 March 2025

Local time

12:00pm

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

14 April 2025

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

English

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 <http://in-tendhost.co.uk/worcestershire> (<http://in-tendhost.co.uk/worcestershire>) and the opportunity is entitled 'Development Partner for Shrub Hill Quarter, Worcester'.
- Note the return date and time in IV.2.2 is the final date for submission of the completed Selection Questionnaire.
- This procurement process will be conducted through the in-tend e-tendering portal and any submission made outside of this portal will be disqualified.
- 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.
- WCC is 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.
- WCC reserves the right to terminate or suspend this procurement process or to amend or vary the process at any time prior to the conclusion of the award of contract without liability to any party.
- WCC 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 WCC 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) Estimated total value is included is the envisaged gross development value (GDV)?

VI.4) Procedures for review

VI.4.1) Review body

The Royal Courts of Justice

The Strand

London

WC21 2LL

Country

United Kingdom