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Contract

Development Partner for Phase 1 (with potential of future phases) of Granton Waterfront, Edinburgh

The City of Edinburgh Council

F03: Contract award notice

Notice identifier: 2023/S 000-009728

Procurement identifier (OCID): ocids-h6vhtk-02ece5

Published 4 April 2023, 9:04am

Section I: Contracting authority

I.1) Name and addresses

The City of Edinburgh Council

Waverley Court, 4 East Market Street

Edinburgh

EH8 8BG

Contact

Kelly Faulds

Email

kelly.faulds@edinburgh.gov.uk

Telephone

+44 1315293415

Country

United Kingdom

NUTS code

UKM75 - Edinburgh, City of

Internet address(es)

Main address

<http://www.edinburgh.gov.uk>

Buyer's address

https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00290

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 Phase 1 (with potential of future phases) of Granton Waterfront, Edinburgh

Reference number

CT0791

II.1.2) Main CPV code

- 45211360 - Urban development construction work

II.1.3) Type of contract

Works

II.1.4) Short description

Located just three miles north of Edinburgh's city centre, Granton Waterfront has outstanding views across the Firth of Forth and sits in a 'necklace' of coastal communities from Cramond in the West to Portobello in the East.

Over the next 10 – 15 years, this area will be transformed from former industrial land into a new coastal town for Scotland. The Council plan to deliver, through phased development:

- around 3,500 new net zero carbon homes; with approximately 50% of these available for private development opportunities;
- business start-up space and commercial opportunities;
- creative arts, cultural and leisure spaces;
- key services including a school and health centre;
- Europe's largest coastal park; and
- low carbon energy solution(s).

The Council's phasing strategy, commencing with Phase 1, opens with the 'Heart of Granton' and embarks the Council and its future Development Partners on a journey of regeneration, with green credentials at the forefront of its objectives. This high-profile regeneration site offers a 'once in a lifetime' opportunity to work with the Council to create a new sustainable coastal town within Edinburgh's Waterfront.

This unique opportunity to work with the Council initially over an 18-month period as part of a two stage Pre-Development contract has been devised as part of the Council's procurement strategy to reduce the burden of tendering as much as possible on Candidates and to encourage collaboration, innovation, risk apportionment, and partnership between the Council and the Development Partner.

As a Candidate, you will be experienced and capable of delivering complex regeneration and mixed-use development projects of similar scale and nature. Your team will be multi-disciplinary and consist of the Development Partner, full design team services, construction contractors and specialist expertise in areas such as sustainability and modern methods of construction. You will identify opportunities for working with the local community and Small to Medium Enterprises (SMEs), creating new jobs and stimulating

the local economy. You will support the Council with innovative solutions related to transport, infrastructure and funding with a primary focus on carbon reduction where possible.

The gross development value for Phase 1 is projected at GBP170million - GBP190million, with the overall programme valued at GBP1.3billion.

Full information on future phases is contained within the Outline Business Case which is available to be downloaded with this Contract Notice.

II.1.6) Information about lots

This contract is divided into lots: No

II.1.7) Total value of the procurement (excluding VAT)

Value excluding VAT: £3,679,916

II.2) Description

II.2.2) Additional CPV code(s)

- 45210000 - Building construction work
- 45111291 - Site-development work
- 45211360 - Urban development construction work
- 70110000 - Development services of real estate
- 71220000 - Architectural design services
- 71320000 - Engineering design services
- 45000000 - Construction work
- 45211000 - Construction work for multi-dwelling buildings and individual houses
- 45200000 - Works for complete or part construction and civil engineering work

II.2.3) Place of performance

NUTS codes

- UKM75 - Edinburgh, City of

II.2.4) Description of the procurement

The City of Edinburgh Council is seeking a Development Partner to take forward the development of Phase 1 of the Granton Waterfront Development. Fountainbridge in Edinburgh in line with the Council's vision.

The Development Partner will be required to:

- Deliver a private housing development of approximately 440 homes;
- Deliver around 200 Council homes of mixed tenure to the Council's design guidance within timescales approved during the pre-development period;
- Deliver around 2000 sqm of ground-floor private sector commercial space and 1000 sqm of public sector commercial space with active frontages at appropriate ground floor locations throughout;
- Create opportunities for Registered and Social Landlord partners to deliver around 145 homes;
- Deliver high quality public realm of adoptable standard throughout the site and sustainable transport infrastructure;
- Delivery of the low carbon energy solution identified by the Council following the outcome of an ongoing options appraisal and Final Business Case; and
- Maintain and enhance community engagement and support consultation.

The residential development must comply with the principle of tenure blind development.

The Development Partner will be required to pay a minimum price to the Council for the private residential and commercial space development opportunities based on the provision of serviced plots. Serviced plots will have been remediated, with access to the plot laid and available utilities laid to the boundary. The minimum accepted capital receipt amount is GBP10,000,000. The Invitation to Tender may contain a provision for tenderers to provide an increase to this amount, which would form part of the cost analysis. The Development Partner will be free to develop the serviced plots to its own specification, subject to the fixed elements set out above. The profits from this development will be retained by the Development Partner, although an overage agreement may be put in place covering exceptional profits.

Further information on the scope of this procurement can be found in the SPD Instruction Document attached to this Contract Notice.

II.2.5) Award criteria

Quality criterion - Name: Quality / Weighting: 70

Cost criterion - Name: Cost / Weighting: 30

II.2.11) Information about options

Options: Yes

Description of options

It should be noted that the procurement process is being undertaken for Phase 1 of the Development, however, the Council reserves the right to extend the Development Agreement to future phases (subject to satisfactory performance of the Development Partner) at its sole discretion. This may include pre-development services or development of future phases and will be discussed with the successful bidder only on completion of the Phase 1 – Pre-Development Services.

For the purposes of this Procurement Procedure, the selection and award criteria will be evaluated against the requirements for Phase 1 only. Full information on the future phases is contained within the Outline Business Case.

II.2.13) Information about European Union Funds

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

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Competitive procedure with negotiation

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.2.1) Previous publication concerning this procedure

Notice number: [2021/S 000-030917](#)

Section V. Award of contract

Contract No

CT0971

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

1 February 2023

V.2.2) Information about tenders

Number of tenders received: 5

Number of tenders received from SMEs: 2

Number of tenders received from tenderers from other EU Member States: 0

Number of tenders received from tenderers from non-EU Member States: 5

Number of tenders received by electronic means: 5

The contract has been awarded to a group of economic operators: No

V.2.3) Name and address of the contractor

Cruden Homes (East)

Cruden House, 36 South Gyle Business Park

Edinburgh

EH12 9EB

Telephone

+44 7851719473

Country

United Kingdom

NUTS code

- UKM - Scotland

The contractor is an SME

No

V.2.4) Information on value of contract/lot (excluding VAT)

Total value of the contract/lot: £3,679,916

Section VI. Complementary information

VI.3) Additional information

(SC Ref:728115)

VI.4) Procedures for review

VI.4.1) Review body

Sheriff Court

Sheriff Court House, 27 Chambers Street Edinburgh

Edinburgh

EH1 1LB

Country

United Kingdom

VI.4.3) Review procedure

Precise information on deadline(s) for review procedures

A tenderer that suffers loss as a result of a breach of duty under the Public Contracts (Scotland) Regulations 2015 may bring proceedings in the Sheriff Court or the Court of Session. The City of Edinburgh Council (the Council) will have a minimum standstill period of 10 days before awarding the contract. The communication of the award decision notice will be sent by fax or e-mail to all tenderers with the standstill period commencing on the next day. If proceedings are started in the Sheriff Court or the Court of Session against the Council in respect of the decision to award the contract within the standstill period then the Council is prevented from awarding the contract. Post contract award the Sheriff Court or the Court of Session may (1) award damages provided proceedings are brought within 3 months from the date when the grounds for the bringing of the proceedings first arose (2) be entitled to issue an ineffectiveness order or impose a financial penalty on the Council. A claim for an ineffectiveness order must be made within 30 days of the Contract Award Notice being published in the FTS/OJEU or within 30 days of the date those who expressed an interest in or otherwise bid for the contract were informed of the conclusion of the contract or in any other case within 6 months from the date on which the contract was entered into.