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Contract

Joint Venture for Development of Multiple Sites in Suffolk

Suffolk County Council

F03: Contract award notice

Notice identifier: 2022/S 000-019562

Procurement identifier (OCID): ocds-h6vhtk-029a1c

Published 18 July 2022, 2:54pm

Section I: Contracting authority

I.1) Name and addresses

Suffolk County Council

Endeavour House, Russell Road

IPSWICH

IP1 2BX

Email

martin.jennings@suffolk.gov.uk

Telephone

+44 1473260450

Country

United Kingdom

NUTS code

UKH14 - Suffolk

Internet address(es)

Main address

www.suffolksourcing.uk

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

Joint Venture for Development of Multiple Sites in Suffolk

Reference number

CD1286

II.1.2) Main CPV code

- 70000000 - Real estate services

II.1.3) Type of contract

Services

II.1.4) Short description

Suffolk County Council (the •Council•) has the ambition of delivering residential development in Suffolk. In order to realise this ambition, the Council is seeking to procure a private sector partner ('PSP') with whom to establish a 50:50 joint venture ('JV') development vehicle. The JV will be responsible for delivering multiple residential development schemes throughout Suffolk. The Council will commit sites to the JV for development and may also provide funding via loans or equity contributions. It is

anticipated that the PSP will provide funding and services to the JV. Such services may include (amongst others) construction services and development management services. Following development, individual residential units or development parcels will be marketed and sold. Profits from the JV will be distributed to the Council and the PSP based on their equity holdings.

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: £750,000,000

II.2) Description

II.2.2) Additional CPV code(s)

- 45000000 - Construction work
- 70120000 - Buying and selling of real estate
- 70332000 - Non-residential property services
- 71500000 - Construction-related services
- 70110000 - Development services of real estate
- 70331000 - Residential property services
- 70333000 - Housing services

II.2.3) Place of performance

NUTS codes

- UKH14 - Suffolk

Main site or place of performance

Suffolk

II.2.4) Description of the procurement

The Council has the ambition of delivering residential development in Suffolk, in order to promote economic development, enhance vitality, and secure new homes and facilities for local residents and businesses. The Council's overarching project vision is to deliver high

quality development that supports a thriving county and that serves the needs of residents and businesses, including new community facilities and affordable housing, fostering a sense of local ownership. In order to realise these ambitions, the Council is seeking to procure a PSP with whom to establish a 50:50 JV development vehicle. The Council and the PSP's respective interests in the JV will be established through the procurement process, however it is envisaged that the members of the JV will each hold an equal equity interest and will jointly manage it and its assets. The Council's preferred legal and governance structure for the JV is set out in the draft Heads of Terms (that are available on the Portal). Through participating in the JV, the PSP will be responsible for helping the Council deliver its key objectives. These objectives are set out in full in the draft Heads of Terms. The Council will contribute a number of sites to the JV for development. The initial sites are North of Lowestoft Garden Village, West Mildenhall, Newmarket St Felix former middle school, West Row, and Bramford development sites (the 'Cat A Sites'). The Council has also identified a number of subsequent sites which may come forward in the future. These sites are referred to as the 'Cat B Sites'. In addition, a number of yet unidentified sites that are currently (or may subsequently become) owned by the Council may be brought forward in the future (the 'Cat C Sites'). Bidders should refer to the draft Heads of Terms and draft Invitation to Participate in Dialogue ('ITPD') for further information in relation to these sites. In addition to the development of the sites, the Council requires the right to call-off construction works and/or services from the JV, in relation to a number of potential developments on land that is currently or may subsequently become owned by the Council (the 'Community Facilities'). The Council's proposed legal delivery structure for the Cat A Sites is set out in the draft Heads of Terms. The Council envisages that alternative arrangements may be required in respect of the Cat B Sites, Cat C Sites and for the development of any Community Facilities. The legal structure in the draft heads of terms is intended to provide sufficient flexibility to allow the Council and the PSP to decide upon the most appropriate delivery structure for future developments, taking into account any site-specific requirements at the relevant time. This may include:- sites being transferred by the Council to the JV (or a subsidiary of the JV) for development,- sites being retained by the Council, with the JV or the PSP providing construction services directly to the Council, or- alternative delivery arrangements being agreed between the Council/JV and PSP from time to time, in line with the governance mechanisms set out in the heads of terms. The Council envisages the PSP providing cash to the JV as an equity contribution with the Council's equity contribution being met through its land contributions. The Council also envisages the PSP providing pre-construction finance and other working capital by way of loans. The Council does, however, reserve the right to also contribute funding to the JV, whether by way of loan or further equity contributions. Additional debt financing will be sought from the markets. The Council anticipates the PSP providing a number of services to the JV and/or the Council which may include (but are not limited to) development management and/or construction services. The PSP will receive fees for the provision of these services based on incentivised targets

II.2.5) Award criteria

Price

II.2.11) Information about options

Options: Yes

Description of options

The Council anticipates discussing with Bidders, during the competitive dialogue procedure the possibility of being granted option(s) to extend the contract period in a number of periods up to an overall maximum extension of 10 years.

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

The procurement will be conducted in accordance with the Public Contracts Regulations 2015 (as amended) and any applicable Procurement Policy Notices, using the competitive dialogue procedure as set out in Regulation 30 of the Public Contracts Regulations 2015.

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.2.1) Previous publication concerning this procedure

Notice number: [2021/S 000-004779](#)

Section V. Award of contract

Contract No

CD1286

Title

Joint Venture for Development of Multiple Sites in Suffolk

A contract/lot is awarded: Yes

V.2) Award of contract

V.2.1) Date of conclusion of the contract

14 July 2022

V.2.2) Information about tenders

Number of tenders received: 2

Number of tenders received from SMEs: 0

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

Number of tenders received from tenderers from non-EU Member States: 0

Number of tenders received by electronic means: 2

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

V.2.3) Name and address of the contractor

Lovell Partnerships Limited

London

Country

United Kingdom

NUTS code

- UKI - London

The contractor is an SME

No

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

Initial estimated total value of the contract/lot: £750,000,000

Total value of the contract/lot: £75,000,000

Section VI. Complementary information

VI.4) Procedures for review

VI.4.1) Review body

Royal Courts of Justice

Strand

London

WC2A 2LL

Country

United Kingdom