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Award

Gateway 14 Innovation & Skills Centre

Mid Suffolk District Council

F15: Voluntary ex ante transparency notice

Notice identifier: 2024/S 000-022382

Procurement identifier (OCID): ocds-h6vhtk-047ea8

Published 18 July 2024, 7:53pm

Section I: Contracting authority/entity

I.1) Name and addresses

Mid Suffolk District Council

Endeavour House, 8 Russell Road

Ipswich

IP1 2BX

Contact

Head of Regeneration and Projects

Email

regeneration@baberghmidsuffolk.gov.uk

Country

United Kingdom

Region code

UKH14 - Suffolk

Justification for not providing organisation identifier

Not on any register

Internet address(es)

Main address

<https://www.midsuffolk.gov.uk/>

Buyer's address

<https://www.midsuffolk.gov.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

Gateway 14 Innovation & Skills Centre

Reference number

none

II.1.2) Main CPV code

- 45000000 - Construction work

II.1.3) Type of contract

Works

II.1.4) Short description

Development of a Skills & Innovation Centre on the Gateway 14 site (a Freeport East tax site) at Stowmarket, Suffolk. Including Cat B fit out. Approximately 33,552 sq ft 'hybrid' floor area comprising separate office units, co-working space, public cafe, flexible ground floor training and meeting rooms and service support/amenity areas.

Approximately 150 car parking bays.

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: £18,171,000

II.2) Description

II.2.3) Place of performance

NUTS codes

- UKH14 - Suffolk

Main site or place of performance

Gateway 14 (a Freeport East tax site) at Stowmarket, Suffolk (off of Junction 50 of the A14)

II.2.4) Description of the procurement

Sale of a serviced site of 2.16 acres at Gateway 14 (part of Freeport East), at Stowmarket, Suffolk (the site) (the sale).

The sale of the site will be accompanied by a works contract for the construction, including fit out, of a new 33,552 sq ft freehold Skills & Innovation Centre and 150 car parking spaces (the Works).

The Site already has detailed planning permission for infrastructure to access it, and outline planning permission which can accommodate the Skills & Innovation Centre and 150 car parking spaces.

The Council must, in order to enjoy the benefit of the Site and the new-build Skills & Innovation Centre, award a contract for the maintenance of the Gateway 14 development (e.g. the estate roads, open-space landscape maintenance, surface water attenuation, site security etc.) and a service charge will be payable in this respect (the Services).

The Sale, the Works and the Services are referenced throughout as the Opportunity.

II.2.11) Information about options

Options: No

II.2.14) Additional information

There is no option for MSDC other than to go down this route to locate/develop the Skills and Innovation Centre at this location and due to Freeport status benefits including accessing £6m of seed fund capital grant. The Council is using the most prudent funding option. Without Freeport benefits the scheme is not viable and would not proceed. It is a social impact and skills gap benefitting intervention to deliver benefits to the local area and wider Freeport East (including labour force development)

Section IV. Procedure

IV.1) Description

IV.1.1) Type of procedure

Negotiated without a prior call for competition

- The works, supplies or services can be provided only by a particular economic operator for the following reason:
 - protection of exclusive rights, including intellectual property rights

Explanation:

The Council considers that it may award this contract without prior publication because:

Gateway 14 (Ltd) (the Seller) has exclusive rights deriving from land ownership at the Site meaning that the Council is entitled to directly award the Opportunity pursuant to the negotiated procedure without prior publication of a call for competition in accordance with Regulation 32(2)(b)(iii) of the Public Contracts Regulations 2015.

The Seller is the freehold owner of the Site. The Council requires that the development takes place within the Site within the area of Freeport East, in order to benefit from £6m Seed Capital funding, which has been awarded to the Council by the government and will only be made available on the basis of the location of the Site within a Freeport; and the ability to recycle business rates and utilise them towards the cost to the Council of the Development. The Council has determined, following viability appraisals, that these capital contributions are essential in order to render the development viable. Viability issues prevent the Council instructing the Opportunity at a different site (which does not (and cannot) attract the Seed Capital Funding or the ability to recycle and business rates). No other site offers a viable options for the Council. The Council would not therefore be able to contract with anyone other than the Seller who controls, and has exclusive rights, over the Site.

The Seller is unable/unwilling to facilitate the Sale unless the Council also contracts for the Works. This is on the basis that the Seller has a development agreement with Jaynic (East Anglia) Limited which affords Jaynic an exclusive development arrangement across the whole of the Gateway 14 Freeport area. As such, it would not be possible for the Council to acquire the Site and to separately procure a contractor for the Site. The Seller is, in addition, the freehold owner of the common parts of the development of Gateway 14. The Council must, in order to enjoy the benefit of the Site and the new-build Innovation & Skills Centre, award a contract for the maintenance of the Gateway 14 development (e.g. the estate roads, open-space landscape maintenance, surface water attenuation, site security etc) and a service charge will be payable in this respect. Again there is no credible alternative route to procure these services.

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

The procurement is covered by the Government Procurement Agreement: No

Section V. Award of contract/concession

Title

Gateway 14 Skills & Innovation Centre

A contract/lot is awarded: Yes

V.2) Award of contract/concession

V.2.1) Date of conclusion of the contract

22 May 2024

V.2.2) Information about tenders

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

V.2.3) Name and address of the contractor/concessionaire

Gateway 14 Limited

c/o Mid Suffolk District Council, Endeavour House, 8 Russell Road

Ipswich

IP1 2BX

Email

regeneration@baberghmidsuffolk.gov.uk

Country

United Kingdom

NUTS code

- UKH14 - Suffolk

Companies House

Gateway 14 Limited

The contractor/concessionaire is an SME

Yes

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

Initial estimated total value of the contract/lot/concession: £18,171,000

Total value of the contract/lot/concession: £18,171,000

V.2.5) Information about subcontracting

The contract/lot/concession is likely to be subcontracted

Short description of the part of the contract to be subcontracted

Jaynic (East Anglia) Limited are Gateway 14 Ltd's exclusive development partner for the Gateway 14 Ltd site development and this agreement runs until 2035. Therefore subcontracted works/services will include Development Management services to Jaynic (East Anglia) Limited.

Gateway 14 Ltd intends to procure a sub-contractor/sub-contractors to deliver the construction works and fit out. Full scope of subcontracting is yet to be determined.

Section VI. Complementary information

VI.3) Additional information

The date provided at V.2.1 is the date on which the contract award decision was made. No contract will be entered before the end of a minimum period of 10 days from publication.

VI.4) Procedures for review

VI.4.1) Review body

High Court of England & Wales

Royal Courts of Justice, The Strand

London

WC2A 2LL

Country

United Kingdom

VI.4.3) Review procedure

Precise information on deadline(s) for review procedures

As per the Public Contracts Regulation 2015