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Contract

Edinburgh BioQuarter Health Innovation District: Procurement of a Private Sector Partner

EBQ 3 Limited
The City of Edinburgh Council
Scottish Enterprise
University Of Edinburgh

F03: Contract award notice
Notice identifier: 2024/S 000-038165
Procurement identifier (OCID): ocds-h6vhtk-02f2d7
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Section I: Contracting authority

I.1) Name and addresses

EBQ 3 Limited

NINE, 9 Little France Road, Edinburgh BioQuarter

Edinburgh

EH16 4UX

Email

info@edinburghbioquarter.com

Country

United Kingdom

NUTS code

UKM75 - Edinburgh, City of

Internet address(es)

Main address

<https://edinburghbioquarter.com/>

Buyer's address

https://www.publiccontractsscotland.gov.uk/Search/Search_AuthProfile.aspx?ID=AA30536

I.1) Name and addresses

The City of Edinburgh Council

Waverley Court, 4 East Market Street

Edinburgh

EH8 8BG

Contact

Brodie Smithers

Email

Brodie.Smithers@edinburgh.gov.uk

Telephone

+44 1314693922

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.1) Name and addresses

Scottish Enterprise

Atrium Court, 50 Waterloo Street

Glasgow

G2 6HQ

Contact

Brodie Smithers

Email

adam.cunningham@scotent.co.uk

Telephone

+44 1414686024

Country

United Kingdom

NUTS code

UKM82 - Glasgow City

Internet address(es)

Main address

<http://www.scottish-enterprise.com/>

Buyer's address

https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00398

I.1) Name and addresses

University Of Edinburgh

Charles Stewart House, 9-16 Chambers Street

Edinburgh

EH1 1HT

Contact

Brodie Smithers

Email

procurement.office@ed.ac.uk

Telephone

+44 1316502508

Country

United Kingdom

NUTS code

UKM75 - Edinburgh, City of

Internet address(es)

Main address

<http://www.ed.ac.uk/schools-departments/procurement/supplying>

Buyer's address

https://www.publiccontractsscotland.gov.uk/search/Search_AuthProfile.aspx?ID=AA00107

I.2) Information about joint procurement

The contract involves joint procurement

I.4) Type of the contracting authority

Body governed by public law

I.5) Main activity

Other activity

a strategic joint venture between EBQ3 Ltd, Scottish Enterprise, University of Edinburgh and City of Edinburgh Council

Section II: Object

II.1) Scope of the procurement

II.1.1) Title

Edinburgh BioQuarter Health Innovation District: Procurement of a Private Sector Partner

Reference number

EBQ3-001

II.1.2) Main CPV code

- 70110000 - Development services of real estate

II.1.3) Type of contract

Services

II.1.4) Short description

Edinburgh BioQuarter is one of Scotland's largest health/life sciences innovation locations and a place where new ideas thrive to revolutionise health and wellbeing. It is a renowned destination for first-class clinical delivery, academic expertise and scientific research. It has developed over the past 20 years into one of the UK's leading life sciences parks.

EBQ3 Ltd has been established by City of Edinburgh Council, Scottish Enterprise, and the University of Edinburgh (together the Contracting Authorities) with the objective to procure a private sector partner to work with them to invest in and accelerate the development of their vision at BioQuarter. The requirement of the private sector partner includes the delivery not only of new buildings, associated infrastructure and public realm on the available land, but also of health innovation services and community impact services, all in line with the “Primary Purpose” as described in the legal Heads of Terms. The private sector partner will be responsible for raising development funding to deliver the vision for BioQuarter. NHS Lothian is not a Contracting Authority for this procurement and is not involved in the procurement exercise.

BioQuarter is a 167-acre site of which 103 acres has been, or is currently anticipated to be, self-developed by the Contracting Authorities and NHS Lothian themselves over the next 25 + years. Such future self-developments conducted by the Contracting Authorities will also be in line with the Primary Purpose. For the avoidance of doubt, the Primary Purpose will not apply to development on land owned by NHS Lothian. It is currently anticipated that the land available as part of this procurement exercise will be in the region of 64-acres of undeveloped land which is owned by Scottish Enterprise (the “PSP land zone”). The anticipated boundary is shown in the Bidders Information Pack. Early development assessments conducted by the Contracting Authorities estimate that there is development capacity in the region of 360,000 square metres gross internal (GIA) area in the PSP land zone.

The vision of the Contracting Authorities is to transition BioQuarter into Edinburgh’s Health Innovation District; a new mixed-use urban neighbourhood of Edinburgh centred on a world leading community of health innovators and to grow BioQuarter into a global destination for pioneering health innovation and enterprise.

Success for the BioQuarter Vision requires the acceleration of development and sufficient level of commercial health innovation accommodation to ensure BioQuarter is a model for commercial health innovation services that will see existing tenants and companies being retained and growing, and new tenants and companies being attracted. The Contracting Authorities aspire to have in the region of 50% of the GIA of development in the PSP land zone as commercial health innovation accommodation to maximise BioQuarter’s strategic objectives for economic growth and community impact and ensure a high level of accommodation is available for commercial health innovation companies and tenants. The Contracting Authorities understand that this ambition needs to be balanced with commercial viability.

Whilst no third-party funding has to date been assured to support the project, the Contracting Authorities are actively pursuing such funding to support the development and bidders will be advised during dialogue. Further details of the opportunity, the proposed contractual arrangements and the procurement process are set out in the supporting documentation available in PCS-T.

The Contracting Authorities are hosting an online bidders event on Tuesday 9th November 2021 from 09.00am to 10.00am GMT. Please complete registration on the following link -

<https://www.eventbrite.co.uk/e/edinburgh-bioquarter-health-innovation-district-joint-venture-bidders-event-tickets-199858711787>

II.1.6) Information about lots

This contract is divided into lots: No

II.2) Description

II.2.2) Additional CPV code(s)

- 70110000 - Development services of real estate
- 70000000 - Real estate services
- 70100000 - Real estate services with own property
- 70111000 - Development of residential real estate
- 70112000 - Development of non-residential real estate
- 70121000 - Building sale or purchase services
- 70122000 - Land sale or purchase services
- 66122000 - Corporate finance and venture capital services
- 79411100 - Business development consultancy services
- 79993000 - Building and facilities management services
- 79900000 - Miscellaneous business and business-related services
- 75200000 - Provision of services to the community
- 98000000 - Other community, social and personal services
- 85323000 - Community health services

II.2.3) Place of performance

NUTS codes

- UKM75 - Edinburgh, City of

II.2.4) Description of the procurement

Bids for the role of private sector partner will be evaluated against 4 key themes which align with the requirements. Each will be explored in dialogue. A: Property Development & Management Services - develop and manage the PSP land zone in line with the Place Strategy and Sustainability Strategy with sufficient levels of commercial health innovation accommodation to meet the BioQuarter Vision. B: Commercial Health innovation Services - provide commercial health innovation services/model that will see activation and accelerated growth of the ecosystem in line with the Innovation Strategy across the whole BioQuarter site. C: Community Impact Services - provide community impact services by working in partnership with the Contracting Authorities and BioQuarter's other stakeholders to ensure that BioQuarter plays a significant community impact role in line with the Community Impact Strategy. D: Commercial and Legal - raise development funding and resourcing to deliver A, B & C and enter a sustainable, long-term framework to work in partnership and deliver the ambitions for BioQuarter.

Property development and management is anticipated to be limited to the PSP land zones. Tenant retention, attraction, marketing and letting services is anticipated to be included in the scope in relation to BioQuarter NINE and the BioCubes where bidders consider these services will form an integral and valuable part of their proposals for a health innovation ecosystem. FM Services to some common areas out with the PSP land zones is anticipated to be included as a requirement.

The Contracting Authorities aspire to have in the region of 50% of the GIA of development in the PSP land zone as commercial health innovation accommodation to maximise BioQuarter's strategic objectives for economic growth and community impact and ensure a high level of accommodation is available for commercial health innovation companies and tenants. The Contracting Authorities understand that this ambition needs to be balanced with commercial viability.

During dialogue, it is anticipated that accommodation proposals may be refined being informed by commercial viability, phasing and income generation solutions from bidders and/or the availability of third party public funding. Bidders will be expected to maximise the delivery of commercial health innovation accommodation and the evaluation of submissions will take into account the proportion of commercial health innovation accommodation proposed against the aspiration for in the region of 50%.

The PSP will be responsible for setting the strategy for infrastructure provision to enable their development ambitions. This will include the provision of energy sources, to meet environmental standards set out in the Sustainability Strategy. The Contracting Authorities have explored some potential solutions which have included preliminary discussions with Midlothian Energy Limited. The Contracting Authorities have made no commitments to energy or infrastructure solutions and it is expected that options will be fully explored through dialogue.

Whilst no third-party funding has to date been assured to support the project, the Contracting Authorities are actively pursuing such funding to support the development and bidders will be advised during dialogue. This is currently focussed on, but not limited to, grant funding programmes from the Scottish and UK Governments for low carbon energy solutions, general infrastructure works to make the PSP land zones ready for development and opportunities to accelerate the delivery of innovation space. The Contracting Authorities will advise bidders if the position regarding potential third-party public-sector funding changes during the continuance of the procurement exercise. Bidders will be expected to address the provision of funding for its activities in its bid.

Please see section V.I.3 for details relating to the procurement documentation being released at this stage.

II.2.5) Award criteria

Quality criterion - Name: Quality / Weighting: 70

Price - Weighting: 30

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

Bidders may be excluded from this procurement if they are in any of the situations referred to in regulation 58 of the Public Contracts.(Scotland) Regulations 2015. Bidders who are unsuccessful at this stage will be provided with feedback. Dialogue will continue until the Contracting Authorities are satisfied that they can identify the solution or solutions which are capable of meeting their needs.

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 000-027497](#)

Section V. Award of contract

Contract No

EBQ3-001

A contract/lot is awarded: No

V.1) Information on non-award

The contract/lot is not awarded

Other reasons (discontinuation of procedure)

Section VI. Complementary information

VI.3) Additional information

Bidders are required to read all documentation available throughout all parts of the procurement. Within the Contract Notice the Contracting Authorities have made available – Bidders Information Guide, which contains key areas referred to in sections II.1.4 and II.2.4 of this Notice, draft legal Heads of Terms and a draft copy of the Invitation to Participate in Dialogue. All documentation can be accessed via PCS.

Competitive dialogue procedure has been used, as specified in Regulation 31 of the PC(S)R 2015. The aim is to dialogue with bidders to identify and define the means best suited to satisfying their needs. Under the Freedom of Information (Scotland) Act 2002 (FOISA) and the Environmental Information (Scotland) Regulations 2004 (EIR), the Contracting Authorities may need to disclose and/or publish any information you send. If any information included in your response is considered commercially sensitive/confidential, please identify it and explain (in broad terms) what harm might result from disclosure and/or publication. Even where you have indicated that information is commercially sensitive or confidential, we may be required to disclose and/or publish it.

The Contracting Authorities will require the means of proof as evidence of fulfilment of the selection criteria detailed in the SPD. Should documentation not be forthcoming or satisfactory, e.g. certification out of date or incorrect certification held, the Contracting Authorities reserve the right to disqualify any Bidder.

Bidders and subcontractors engaged in the delivery of this contract may be excluded if they have not met all aspects of SPD section 3D. This includes obligations for certain organisations under the Modern Slavery Act 2015 (available online at <http://www.legislation.gov.uk/ukpga/2015/30/contents/enacted>), as well as obligations listed in Annex X of Directive 2014/24/EU (available online at <http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32014L0024&from=EN>).

The Contracting Authorities reserves the right to cancel the procurement process at any stage and/or not to award the contract as a result of the competition

(SC Ref:784248)

VI.4) Procedures for review

VI.4.1) Review body

Edinburgh Sheriff Court

Edinburgh

Country

United Kingdom