

Appendix 1, Summary of ITT for Arkwright Walk & Blackstone Walk, the Meadows

Introduction

Nottingham City Council seeks to procure a partner to develop a residential scheme on the Arkwright Walk and Blackstone Walk sites in The Meadows, Nottingham. A red line boundary plan of these sites is appended to this document.

It is anticipated that the sites will support a mix of family houses and a limited number of apartments along with associated landscaping and infrastructure works including improvements to the existing carriageway. The area exhibits significant levels of social housing and private rented accommodation and the Council's preference is for a scheme which will encourage owner occupation. The Council does not require any affordable housing. A limited amount of appropriate retail or commercial provision would also be considered where this will enhance the quality of the scheme and be beneficial to the existing uses in the immediate neighbourhood.

It is estimated that the contract value (GDV) will be in excess of £18m.

Site Specifics

The majority of the sites are in the Council's ownership and a phased programme of decommissioning council housing and acquiring leasehold and freehold properties is well underway. Demolition and site clearance will be undertaken by an approved external contractor selected by Nottingham City Homes with costs met by the Council. It is expected that vacant possession will be provided by September 2015 on the Blackstone Walk site and by April 2016 on the Arkwright Walk sites.

The decommissioning and acquisition process will provide eight developable sites; seven along Arkwright Walk and one on Blackstone Walk. Individual site sizes are shown on the plan. The overall site area comprises 1.8ha or thereabouts.

The Arkwright Walk sites form a key link between the city and Trent Bridge and will link into a number of planned improvements to the Southern Gateway and developments around the new Crocus Square, formed as part of the NET Phase 2 tram line, which is due to be operational early 2015. The Council intends to reopen the top of Arkwright Walk adjacent to Crocus Fields Children's Centre to create a through route for pedestrians and cyclists only. Approval for this is being sought in anticipation of a planning application in early 2015.

The developer will be expected to carry out infrastructure improvements to Arkwright Walk as indicated in the Development Principles in order to provide vehicular access to the development sites. This work will need to consider parking and the new 20mph requirements, the potential for future bus use and NET safeguarding, details of which will be provided in the tender documentation.

Blackstone Walk is located between the neighbourhood's Bridgeway Shopping Centre and the tree lined Queens Walk, the route of the new tram. The site is adjacent to a new tram stop outside the Queens Walk Community Centre and overlooks the Green Flag Award winning Queens Walk Recreation Ground.

Scheme Specifics

The developer partner will be expected to: undertake scheme design; carry out appropriate consultation; obtain planning permission; design and construct infrastructure; carry out pre-construction works; design and construct residential units, landscape the development and sell the properties. The successful tenderer will build the development under licence and will assume all risks for the development including planning risk, construction cost risk and sales risk.

The form of contract for this development will be a licence to build and sell new residential homes between the City Council and the successful development partner and a draft contract "Development Agreement" will be included in the tender documentation.

The Council will transfer the freehold of the site on a unit by unit basis at the point of sale of each property, subject to the quality standards of the approved scheme being met. The Council wishes to encourage owner occupation and tenders which demonstrate a strategy for targeting this form of tenure will be preferred. The freehold of any apartment block buildings will be transferred on practical completion of the building. The developer will be required to demonstrate their strategy for the management of any common parts. Any retail/commercial property will be transferred on sale of the investment or first occupation, whichever is soonest.

The Council is seeking a receipt on its land which will form part of the criteria for the tender exercise. The land receipt is to be paid by the delivery partner to the Council at the point of sale of each property sold on the open market. In the case of any retail/commercial properties the Council will accept a land receipt at the point of transfer of the property as indicated above.

In addition, the Council will insist on receiving 50% of any overage achieved for properties for sale or retail/commercial that achieve more than their stated value in the Sales Value Schedule that forms part of the tender exercise.

The Council is investing significant funding in the scheme in terms of site assembly and clearance as well as enabling works at Crocus Fields to re-open Arkwright Walk. The Council will not therefore be providing any further funding for the development of the sites.

The **key scheme requirements** on which the tenders will be assessed are:

1. A sales value schedule showing the intended housing mix, along with sales, marketing and management strategies, including the temporary management of vacant sites. The market sale properties should be predominantly family homes with consideration given to a small number of low-medium rise apartments at either end of Arkwright Walk;
2. A commitment to develop all eight sites as part of a land package and to develop the sites (in phases) within a specified time period as set out in a development agreement;
3. A commitment to the council's specified Development Principles included in the tender documentation and appended to this pre-qualification questionnaire ;
4. Low level infrastructure improvements to Arkwright Walk to provide vehicular access to the new developments and improve accessibility for local residents;
5. The land receipt paid to the council by the developer and;
6. A commitment to open book accounting to ensure cost efficiency and value for money.

Developers will also be asked to **demonstrate that they have considered:**

- The scope for appropriate limited retail/commercial provision, potentially as part of one of the blocks of flats envisaged at either end of Arkwright Walk. Any retail provision should enhance the existing retail offer in the neighbourhood.
- The viability of including land currently owned and occupied by the Salvation Army (shown on the appended plan) as potential addition(s) to their redevelopment proposals. Information regarding this land will be included in the tender documentation. Should a developer wish to pursue this option they would be expected to enter into a private agreement with the land owner that does not affect the terms of the council's own agreement with the developer.

The Council will not insist on the inclusion of the above element in the scheme, but considers that the inclusion of this strategically placed sites could: enable a coherent, attractive and commercially viable development of significant scale at this important gateway; enhance accessibility and surveillance along Arkwright Walk; strengthen the existing retail offer at the Bridgeway Centre and; enhance the marketability of the residential development. In view of the potential regeneration benefits, developers are asked to evidence their consideration, including reasons for discounting or including this option.

Procurement & Timetable

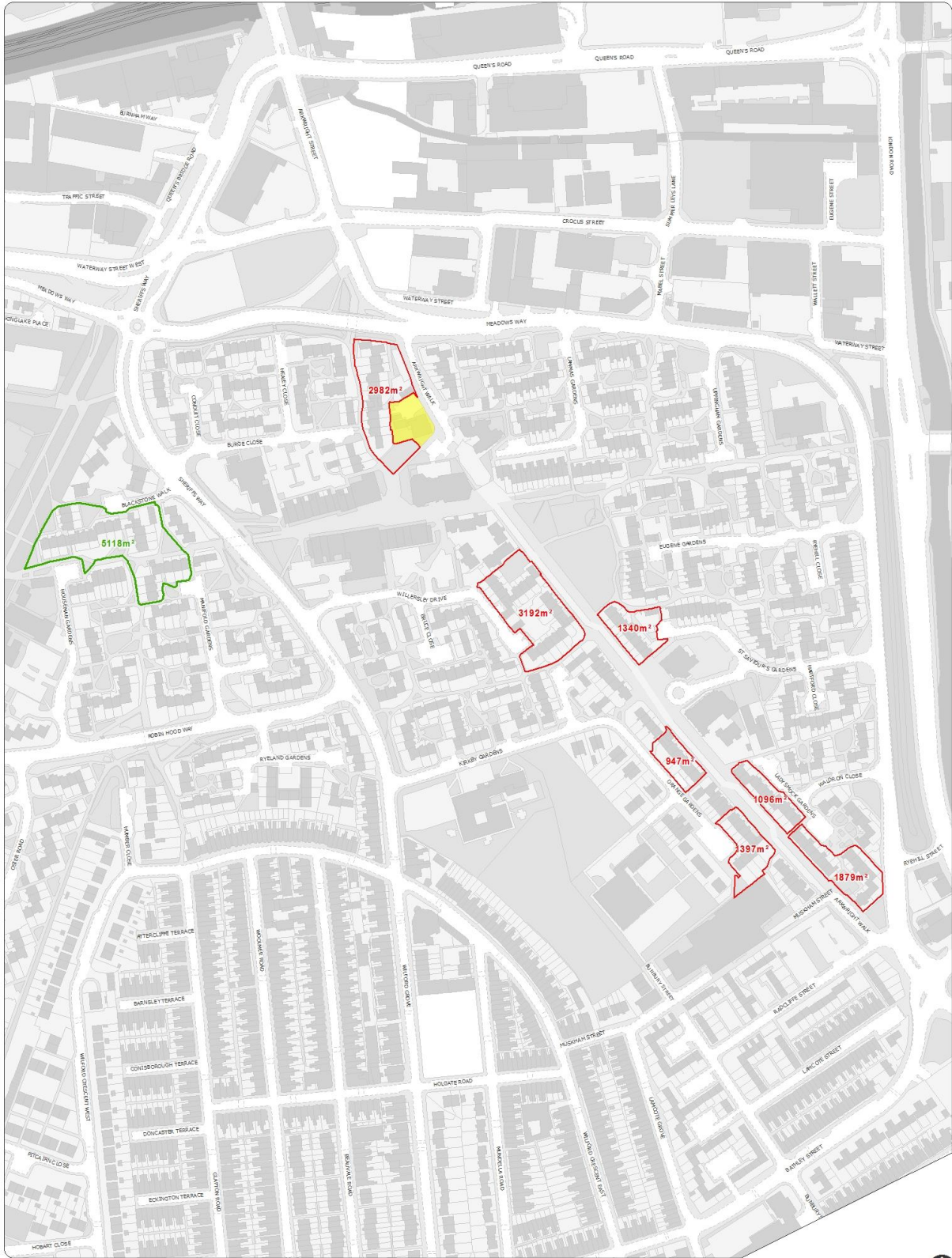
In order to attract a competitive number of tender submissions while allowing adequate time for developers to work up scheme proposals the council will procure a private sector developer partner through a restricted OJEU tender exercise. This will limit the number taken forward to tender stage to no more than 5.

An indicative timetable is shown below culminating with vacant possession of all sites, dependent on the achievement of decommissioning timescales. This includes an extended tender submission period (over and above the minimum OJEU requirement) to allow developers to formulate high quality and robust scheme submissions. This timetable could be reduced by approximately 3 months if the selected developer is prepared to work up a planning application concurrent to finalising the contractual details.

Tender PQQ period (inc. evaluation)	February 2015 to April 2015
Tender period	April 2015 to July 2015
Tender assessment and contract award	August 2015
Vacant possession Blackstone site	September 2015
Decommissioning complete Arkwright Sites	October 2015
Finalise details of development agreement	November 2015
Vacant possession Arkwright sites	April 2016
Submit planning application	May 2016
Planning approval/Start on Site	August 2016
Completion of scheme	August 2019

It is anticipated that developers could start on site once planning approval is granted and that the development period for all sites should be completed by August 2019. Tenderers will be required to provide a programme showing how they would deliver and phase the scheme based on these indicative timescales.

Red line site boundary plan



Key

- Arkwright Walk sites
- Blackstone Walk site
- Salvation Army premises

