

# Public Document Pack



To: Councillor Crockett, Convener; and Councillors Boulton, Cameron (sub), Cooney, Corall (sub), Cormie (sub), Forsyth, Laing, Noble, Taylor, Townson (sub), Young and Yuill.

Members are reminded that substitutes are permissible and should be used if necessary.

Town House,  
ABERDEEN, 12 February 2014

## **URGENT BUSINESS COMMITTEE**

The Members of the **URGENT BUSINESS COMMITTEE** are requested to meet in Committee Room 2 - Town House on **FRIDAY, 14 FEBRUARY 2014 at 2.00pm.**

JANE G. MACEACHRAN  
HEAD OF LEGAL AND DEMOCRATIC SERVICES

### **B U S I N E S S**

- 1 Determination of Urgent Business
- 2 City Centre Masterplan & Delivery Programme - Report by Director of Enterprise, Planning and Infrastructure - referred by City Centre Regeneration Board of 10 February 2014 (Pages 1 - 12)

**Additional information regarding the delivery programme will be tabled at the meeting.**

Should you require any further information about this agenda, please contact Martyn Orchard 01224 523097 or email [morchard@aberdeencity.gov.uk](mailto:morchard@aberdeencity.gov.uk)

This page is intentionally left blank

## CITY CENTRE REGENERATION BOARD

10 FEBRUARY 2014

### **CITY CENTRE MASTERPLAN AND DELIVERY PROGRAMME – UPDATE (EP1/14/034)**

1. The Board had before it a report by Sandy Beattie which provided an update on the procurement options and programme for a Masterplan and Delivery Programme to secure the future of Aberdeen city centre.

Mr Beattie explained that there were three options for the preparation and delivery of the Programme, namely public procurement, private procurement, and the Council appointment of an internal masterplanning and delivery team dedicated to the city centre. He advised that the private procurement approach was not recommended, due to the risks in relation to control, funding and the legality of whether the Council could be involved in such a process. While an internal team could be assembled for the project, it was felt that there were risks in relation to salary structures, recruitment and the availability of the necessary skills to carry out the various work packages, and therefore this approach was also not recommended.

There were four main options for public procurement – open, restricted, framework and competitive dialogue. Mr Beattie talked the Board through the four options and the advantages and disadvantages of each. He advised that the restricted procurement process was recommended in order to appoint a team with the best chance of developing an appropriate masterplan and delivery programme, and referred to the procurement timetable set out in the report. He highlighted the tight timescale but advised that this would allow officers to report back to the Board prior to the Council meeting in June. Mr Beattie added that two representatives from the Board would be asked to join the Evaluation Team to assess the submissions from the pre qualification questionnaires and invitation to tender stages of the process. He advised that this would require a large time commitment from the two representatives, as they had to participate in the entire process and no substitutes could be allowed. Mr Beattie added that the report before the Board would be referred to the Council meeting of 5 March for approval.

At this juncture, it was proposed that an Urgent Business Committee be called for later in the week to allow the report to be considered at an earlier date and it was agreed that in terms of Standing Order 28(5)(iv), Councillor Crockett and the Chief Executive would meet separately outwith the meeting to discuss the arrangements.

Bob Collier referred to the agreed timescale of projects recommended by the Board being reported to the June meeting of Council, and asked how the timetable set out in the masterplan report would affect that decision. Mr Beattie explained that the report before the Board for consideration would not have an impact, as there would be two strands of work reported to Council in

June, namely the finalisation of the procurement for the masterplan, and the statement of recommended projects from the Board. Professor Von Prondynski asked how the two strands would be co-ordinated, and Mr Beattie advised that the two key drivers for the masterplan were the Strategic Infrastructure Plan (SIP) and its consistency with the masterplanning process, and the City Centre Development Framework and the supplementary guidance for the Local Development Plan. He added that the masterplan would involve short, medium and longer term projects; however none of the projects mentioned to date contradicted any ongoing work. The Chairperson noted that Andrew Win, the new City Centre Programme Manager, would have a major role to play in co-ordinating the project proposals from Board members.

Mr Collier referred to the procurement brief which had been prepared following workshops held in June and August, and asked if the revised version of this could be circulated to members of the Board. Mr Beattie advised that this would be included as part of the invitation to tender, and added that he would be happy to receive any further comments from the Board on the brief.

Mr Collier asked for an explanation of the differing roles of the Evaluation Team and the Project Team and Mr Beattie advised that the Project Team would provide support and expertise throughout the process, but the Evaluation Team was specifically in place to evaluate any bids which were submitted. It was noted that the Evaluation Team would report to both the Board and Council. Mr Collier suggested that the scope of the programme was so large that it might be advantageous to look at the brief in terms of key city centre regeneration components. Once these were agreed, the focus could be placed on issues where no agreement had been reached. Mr Beattie stated that this was a useful suggestion but that it was important to keep the holistic nature of the masterplan in mind. Mr Collier further suggested that it would be helpful for an away day to be arranged to allow the Board to comment on the detail of the procurement brief. Mr Beattie agreed that this would be useful, and suggested that it could be arranged through the Masterplanning team prior to the invitation to tender. Derek McCrindle asked if the Board would sign off on the criteria and weightings for the procurement process and Mr Beattie proposed that the away day could be structured to allow discussion of these.

The Chief Executive referred to the procurement timetable, and requested that Board members take the opportunity to explain the timetable to their networks where possible in order to communicate the procurement regulations to which the Council had to adhere.

There was a short discussion around the two Board representatives for the Evaluation Team, and Mr Collier advised that he would take up one of the places, adding that he was also happy to serve on the Project Team.

Richard Noble referred to the industry day to be held on 10 March and the process to be followed for notifying companies, and Mr Beattie explained that the Council's procurement team would ensure that this was done.

Andrew Win advised that he would be looking into the governance of the process and the role of the Board in relation to the invitation to tender. Mr Collier explained that he had spoken to Sir Ian Diamond prior to the meeting, and he had been in agreement with the points he had raised today to the Board, and had highlighted that it would be necessary to have a plan in place for the next six months. An early meeting would be arranged between Andrew Win and Sir Ian Diamond to discuss matters.

**The report recommended –**

that the Board –

- (a) note the proposed restricted procurement approach outlined in sections 5.13-5.17 of the report;
- (b) agree to contribute as appropriate to a project team and evaluation team; and
- (c) note that the report would be referred to Council on 5 March 2014 for approval.

**The Board resolved:-**

- (i) to request that an Urgent Business Committee be convened to allow the procurement process set out in the report to be approved at an earlier date than the Council meeting of 5 March, and to note that the Chief Executive and Councillor Crockett would meet separately to discuss arrangements for the meeting;
- (ii) to note that the Masterplanning team would arrange an away day for Board members as soon as possible to allow them to comment on the detail of the procurement brief;
- (iii) to agree that Board members would share and explain the procurement timetable within their networks;
- (iv) to note that Bob Collier would take up one of the two places available to the Board on the Evaluation Team; and
- (v) to note that Andrew Win would arrange an early meeting with Sir Ian Diamond.

This page is intentionally left blank

## ABERDEEN CITY COUNCIL

---

<b>COMMITTEE</b>	City Centre Regeneration Board
<b>DATE</b>	10 February 2014
<b>DIRECTOR</b>	Gordon McIntosh
<b>TITLE OF REPORT</b>	City Centre Masterplan & Delivery Programme
<b>REPORT NUMBER</b>	EPI/14/034

---

### 1. PURPOSE OF REPORT

To update the Board on procurement options and programme for a Masterplan and Delivery Programme to secure the future of Aberdeen City Centre.

### 2. RECOMMENDATIONS

2.1 It is recommended that the Board:

- 1 Note the proposed restricted procurement approach outlined in sections 5.13-5.17 of this report;
- 2 Agree to contribute as appropriate to a project team and evaluation team;
- 3 Note that this report will be referred to Council on 5 March 2014 for approval.

### 3. FINANCIAL IMPLICATIONS

3.1 The Masterplan and Delivery Programme is a detailed and complex work package likely to cost an estimated £750,000. The final figure will depend on timescales and scope of work. The City Council, at their meeting on 18.12.14, agreed to underwrite the costs of the Masterplan and Delivery Programme up to £750,000 from the City Centre Infrastructure Fund agreed at Council on 31.10.13. It is intended that a partnership funding approach is adopted with contributions to be sought from other sources, including the private sector. All costs are to be shared on a pro-rata basis. Any budget remaining on the conclusion of the contract will be refunded pro-rata based on original contributions. No offers of contribution have been received to date.

#### 4. OTHER IMPLICATIONS

- 4.1 There will be significant impact on services within the Council and potentially for external partners both during the procurement process and throughout the preparation of the masterplan/delivery programme. Council agreed at their meeting on 31 October 2013 (ref decision item 14(f)(3)) to establish a Programme Manager and two Project Manager posts to deliver City Centre regeneration. Other staff resources will be required from the following disciplines:

Urban design, planning policy, development management, transportation strategy and projects, environment, asset management, housing, legal, finance, procurement and programme management.

#### 5. BACKGROUND/MAIN ISSUES

- 5.1 The procurement brief has been prepared following the workshops on 17 June and 28 August hosted by the Robert Gordon University at the Scott Sutherland School of Architecture. The purpose is to set out a clear vision, strategy and action programme for Aberdeen City Centre. The report addresses issues raised in the RGU paper "Regenerating Aberdeen: A Vision for a Thriving and Vibrant City Centre" in the context of adopted policy in the Aberdeen Local Development Plan and the Aberdeen City Centre Development Framework (CCDF).
- 5.2 It has been agreed that in order to establish a clear and deliverable vision for the future development of the City Centre, it is considered necessary to prepare a Masterplan and Delivery Programme to guide future development and investment.
- 5.3 The masterplan and delivery programme will take into account existing projects such as Marischal Square, the Art Gallery extension and a variety of other committed projects, and seek to integrate them within a high quality urban environment. The masterplan will also address what is missing from a successful City Centre.
- 5.4 It is recommended that a multi-disciplinary team, demonstrating a design led approach with a detailed understanding of access and movement, infrastructure, market demand and delivery is appointed to work with the Council and partners to produce a masterplan and a robust, co-ordinated delivery programme for the City Centre.
- 5.5 The options for preparation and delivery of the City Centre Masterplan and Delivery Programme are:
- 1 **Public procurement** in accordance with EU procurement legislation and Council standing orders;
  - 2 **Private procurement**;
  - 3 **Council appointment** of an internal masterplanning and delivery team dedicated to the City Centre.



## Public Procurement

5.6 There are four main options for public procurement:

- Open;
- Restricted;
- Framework; and
- Competitive dialogue.

5.7 An **open** procurement process will require a detailed and prescriptive specification which will not allow for any scope change or evolution from through the procurement process. The Brief will need to be finalised from the outset and if any changes are made it will likely cause delay and usually result in additional costs to the project.

5.8 A **restricted** procurement process has similar risks in that the final bid will have to be accepted unaltered. There are opportunities to further develop and refine the Brief during the early stages until a formal Invitation to Tender is issued. An “industry day” can be set up to test the market without commitment and to gain a better understanding of realistic timescales for delivery. Following this a Pre-Qualification Questionnaire stage allows a shortlist to be identified for Invitation to Tender. This process can be streamlined to meet programme objectives; however there remain set minimum timescales which cannot be altered.

5.9 Potential bidders currently on an existing **Framework** for public procurement, ie those that have pre-qualified, could be invited directly to bid for the work. This would have the advantage of cutting out the pre-qualification stage and allow more time for bidders to focus on formulating the detail of their bids. Existing Frameworks have been examined for suitable suppliers but in this instance do not provide an opportunity for locally based teams. Masterplanning is a particular skill set that is not as readily quantifiable as other supplies. There is therefore a high risk that appropriate teams may be excluded from the procurement process.

5.10 A **competitive dialogue** process allows engagement with prospective bidders preceding the formal tender stage to maximise the number of realistic, competent and competitive bids. This process requires sufficient time and effort in the procurement stages to ensure value in the dialogue. It also requires significant staff resource, and based on previous experience may require in excess of 9 months to enable effective and productive dialogue.

5.11 **Private** procurement is similar to an Open procurement in that the Brief must be in its final form from the outset. There are risks in relation to control, funding and legality of whether the Council can be part of such a procurement process. Anyone acting on behalf of the Council would still have to comply with the tendering process and be bound by EU timelines. A private company appointed to run the process would have to qualify through a process to choose them to undertake work on the

Council's behalf. As there is a significant risk of breach of the EU Directive and Procurement Regulations and of delay in procurement, this approach is not recommended.

- 5.12 A masterplanning and delivery team could be assembled by **Council appointment**, specifically dedicate to this project. There is unlikely to be any programme advantage, although retaining the skills in house could have a positive impact on future projects and developments. There are risks relating to salary structures, recruitment and the availability of the necessary skills to carry out the various work packages.
- 5.13 It is recommended that in order to appoint a team with the best chance of developing an appropriate masterplan and delivery programme the restricted procurement process be adopted for this project. The estimated programme for this is outlined below and takes account of the mandatory minimum timeline for any public procurement process:
- 5.14 The masterplan and delivery programme is expected to require a minimum of 9 months to prepare. Key stages, indicative inception and completion dates are identified for information only until a detailed timeline is explored through the ITT stage. Bidders will be requested to submit proposals for completing the masterplan and delivery programme in 6, 9 or 12 months. Initial feedback on the feasibility of these timescales is expected at the industry day.

<b>Stage</b>	<b>Time</b>	<b>Target</b>
Council		05.03.14
<b>Procurement</b>		
Industry Day	1 day	w/c 10.03.14
Pre-Qualification Questionnaire	30 days	14.04.14
Evaluation and Short list	5 days	21.04.14
Scope sign off		prior to issuing ITT
Invitation to Tender	(min 40 days)	30.05.14
Evaluation	10 days	10.06.14
Board		11.06.14
Council		25.06.14
<b>Masterplan and delivery programme</b>		
Inception	TBC	August 2014
Research		(estimated)
Engagement		
Project Development		
First Draft Masterplan		
Scrutiny, analysis and review		
Engagement		
Final Draft Masterplan		
Council		Summer 2015

- 5.15 It is essential that the Council and partner representatives participate in the key stages of the project and throughout the preparation of the masterplan and delivery programme. This will be established in part through the new structure proposed for the Enterprise Planning and Infrastructure Service, due to be reported to the Council's Finance, Policy & Resources Committee on 20<sup>th</sup> February 2014. There may also be merit in establishing one or more forums to encourage widespread engagement throughout the process.

**Evaluation team**

- 5.16 It is recommended that an Evaluation team is established to assess submissions from the PQQ and ITT stages. This team will be led by Council officers and must comprise urban design, planning, programme and asset management expertise, supported by financial, legal and procurement expertise. It is proposed that 2 representatives of the Board are invited to participate in the evaluation on the understanding that they recognise the significant time commitment this will require. It should also be noted that the two representatives will require to participate in the entire evaluation process and cannot be substituted once the evaluation commences. Attendance at training will be required. If such a commitment to participate is made from the Board, that commitment must follow through the whole process requiring full time involvement at each evaluation stage.

**Project Team**

- 5.17 It is recommended that a Project Team is established comprising representatives of services and stakeholders in the City Centre. The Project Team will develop the detailed scope of work to be included in the Invitation to Tender and report this for sign off to Council. The Project Team will be responsible for actively working with the appointed masterplanning and delivery programme team providing functional expertise, information and identification of current and future opportunities. This team will vary in composition depending on the stage of the masterplan and delivery programme with more specific roles identified as the project develops but will generally comprise the following Services and disciplines.

Enterprise Planning and Infrastructure: Masterplanning, development management, transportation and roads, environment, planning policy, asset management, City Development Programme Manager.

Corporate Governance: Legal, procurement, finance,

Office of Chief Executive: SIP Programme Manager

Housing and Environment

Education Culture and Sport

Stakeholder involvement could come from, for example, through contribution to forums. Forums could be based on a thematic approach, for example Design may involve RGU (through their Faculty of Design), Transportation may involve the Harbour Board, Market evaluation may involve Scottish Enterprise and Aberdeen and Grampian Chamber of Commerce. Forums and contribution required will be established as the full scope of work emerges.

## **6. IMPACT**

6.1 The City Centre Masterplan and Delivery Programme relates to the following Single

Outcome Agreement objectives:

- We live in a Scotland that is the most attractive place for doing business in Europe;
- We realise our full economic potential with more and better employment opportunities for our people;
- We live in well-designed, sustainable places where we are able to access the amenities and services we need;
- We value and enjoy our built and natural environment and protect it and enhance it for future generations;
- We take pride in a strong, fair and inclusive national identity; and
- Our public services are high quality, continually improving, efficient and responsive to local people's needs.

6.2 It also meets the vision of the Community Plan in promoting a strong image of the city and a sense of civic pride and promotes the redevelopment of the City Centre, which is one of the main priorities for the Community Plan and Single Outcome Agreement and supports the Council's 5 year Business Plan in terms of protecting and enhancing the built environment, attracting visitors, workers and investment to protect the economic future of the city, and, to facilitate new development projects to improve Aberdeen's living and working environment.

6.4 Given the nature of the Masterplan and Delivery Programme it is likely to be of interest to the public.

## **7. MANAGEMENT OF RISK**

7.1 To deliver the priorities identified in the Masterplan and Delivery Programme the Council has established a multidisciplinary infrastructure programme through the Strategic Infrastructure Plan and a City Development Programme Manager to oversee and monitor progress on delivery. The management of risk will be monitored and any risks mitigated against through a programme risk register. The project would also have in place a risk register and be monitored by the appropriate lead officer and service, as well as through the programme risk register. Given the nature of the City Centre Masterplan and Delivery Programme

it will also be included as part of the Corporate Risk Management process.


## **8. BACKGROUND PAPERS**

- Aberdeen – A Smarter City
- Strategic Infrastructure Plan
- Aberdeen City and Shire Structure Plan and Proposed Strategic Development Plan
- Aberdeen Local Development Plan 2012
- Aberdeen City Centre Development Framework 2012
- Regenerating Aberdeen: A Vision for a Thriving and Vibrant City Centre (RGU report)

## **9. REPORT AUTHOR DETAILS**

Sandy Beattie

Team Leader – Masterplanning, Design and Conservation

 01224 (52) 2155

 [sbeattie@aberdeencity.gov.uk](mailto:sbeattie@aberdeencity.gov.uk)

This page is intentionally left blank