

Overview and Scrutiny Committee

TABLED DOCUMENTS

DATE: Monday 16 September 2019

AGENDA - PART I

- 8. HARROW STRATEGIC PARTNERSHIP UPDATE (Pages 3 - 24)**

Presentation to the Report of the Corporate Director of Resources.

AGENDA - PART II - Nil

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Overview & Scrutiny Committee

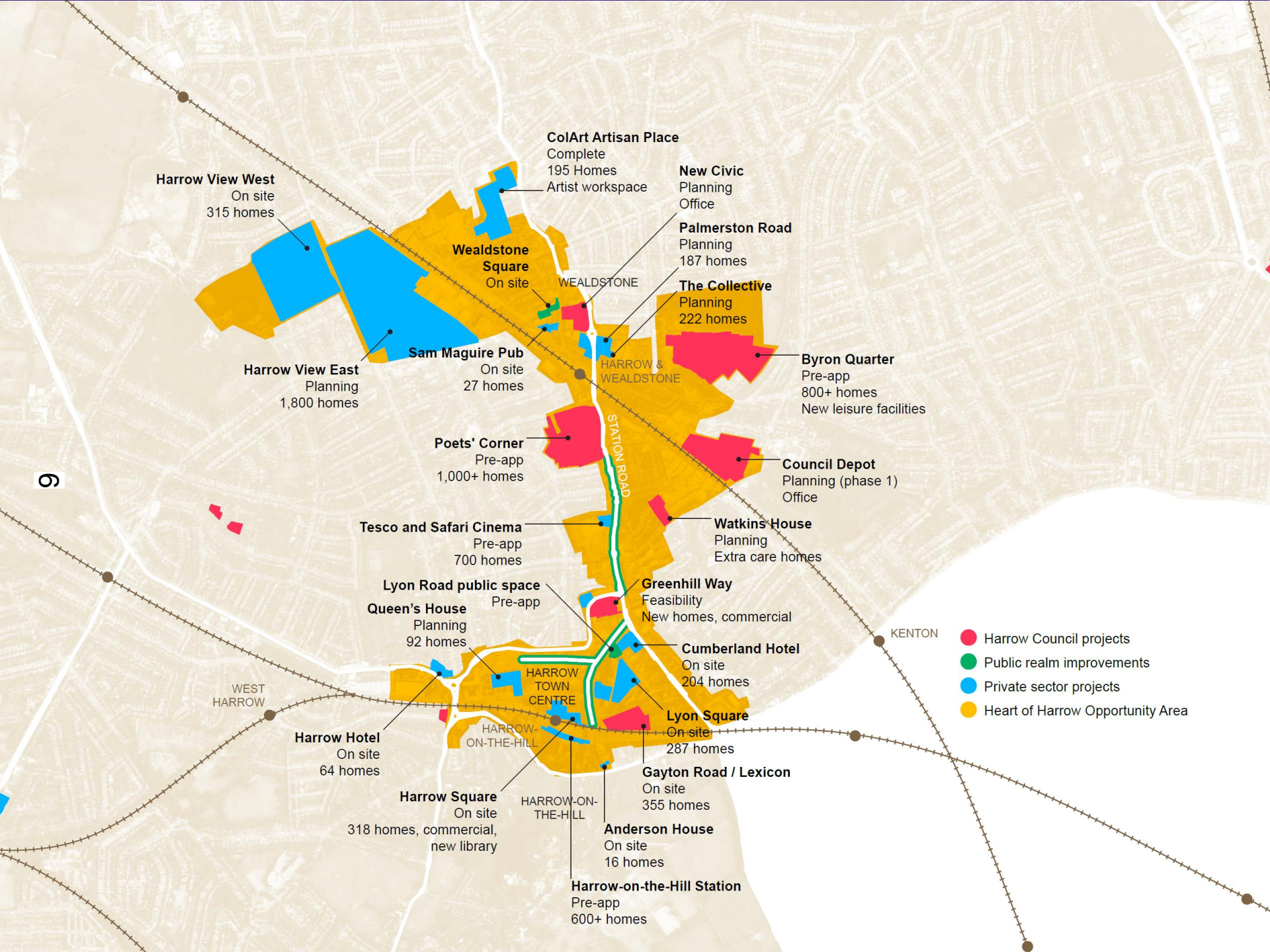
Harrow Strategic Development Partnership Update

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Paul Walker
16th Sept 2019

Harrow Strategic Development Partnership (HSDP):

1. Regeneration Strategy and Map
2. Background
3. HSDP Core Team
4. Council Objectives for HSDP
5. Procurement Process (to date)
6. Evaluation Criteria
7. Current Stage & Emerging Themes
8. Procurement Process (next stage)
9. HSDP Reporting & Governance
10. O & S Support to the Regeneration Programme:



Harrow View West
On site
315 homes

Harrow View East
Planning
1,800 homes

Wealdstone Square
On site

Sam Maguire Pub
On site
27 homes

Poets' Corner
Pre-app
1,000+ homes

Tesco and Safari Cinema
Pre-app
700 homes

Lyon Road public space
Pre-app

Queen's House
Planning
92 homes

Harrow Hotel
On site
64 homes

Harrow Square
On site
318 homes, commercial,
new library

CoArt Artisan Place
Complete
195 Homes
Artist workspace

WEALDSTONE

HARROW & WEALDSTONE

STATION ROAD

HARROW TOWN CENTRE

HARROW-ON-THE-HILL

HARROW-ON-THE-HILL

Anderson House
On site
16 homes

Harrow-on-the-Hill Station
Pre-app
600+ homes

New Civic
Planning
Office

Palmerston Road
Planning
187 homes

The Collective
Planning
222 homes

Byron Quarter
Pre-app
800+ homes
New leisure facilities

Council Depot
Planning (phase 1)
Office

Watkins House
Planning
Extra care homes

Greenhill Way
Feasibility
New homes, commercial

Cumberland Hotel
On site
204 homes

Lyon Square
On site
287 homes

Gayton Road / Lexicon
On site
355 homes

- Harrow Council projects
- Public realm improvements
- Private sector projects
- Heart of Harrow Opportunity Area

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WEST HARROW

KENTON

In 2015, following extensive consultation Harrow Council introduced its 10 year Regeneration Strategy.

The strategy was based on the Council's ambitions to progress Harrow's growth and development.

The Regeneration Programme was given a name Building a Better Harrow (BaBH) and at the heart of that ambition was a determination to build good quality homes for Harrow's people, sustainable communities, to encourage business growth and improve infrastructure.

Background:

In May 2019, Cabinet took the decision to commence the procurement process to seek a Strategic Development Partner for Harrow. In June 2019, the Council launched its procurement process with an OJEU notice issued to the market followed by a Bidders Day in Wealdstone on 27th June 2019.

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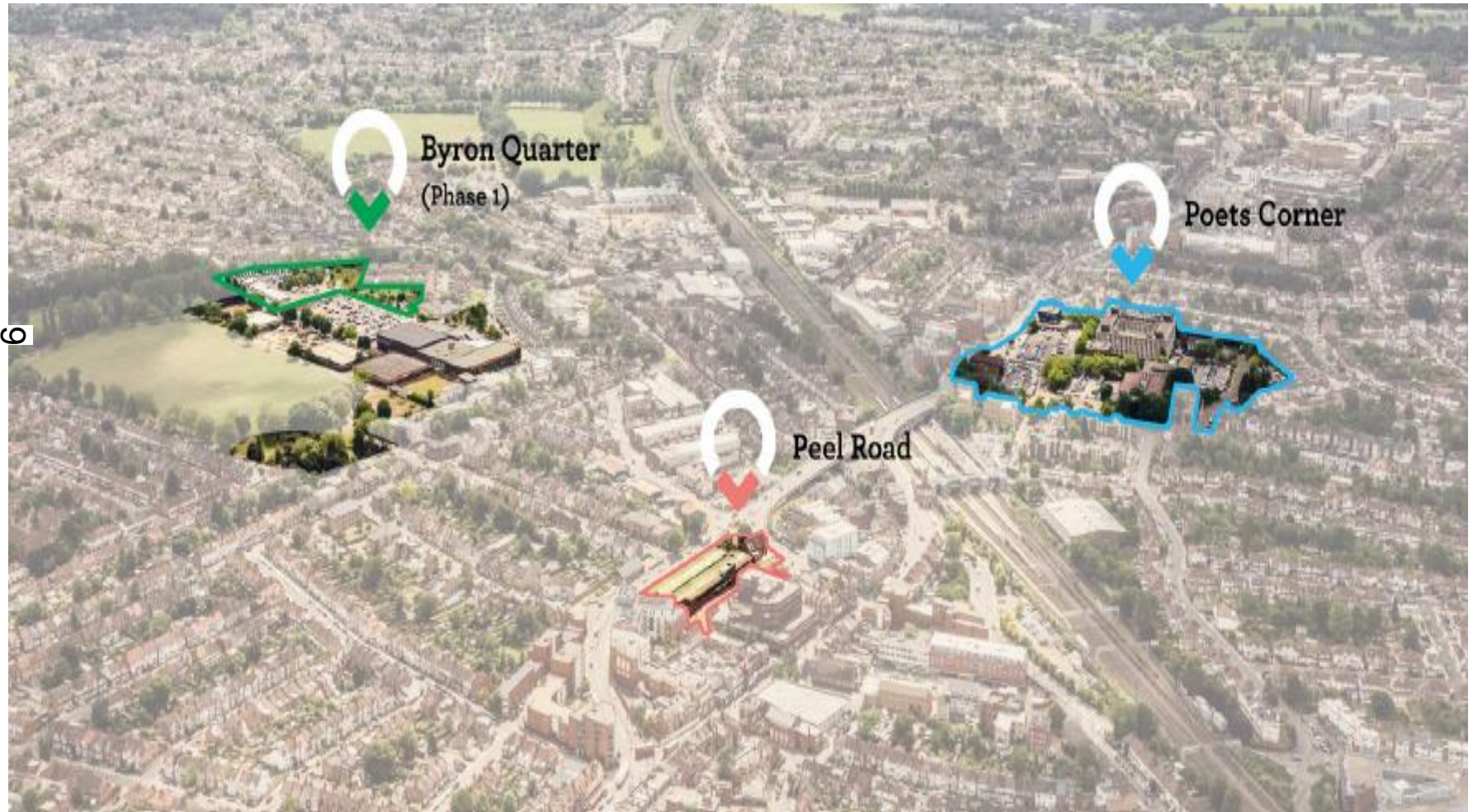
Nature of the Partnership:

50/50 Joint Venture Partnership, where the Council invests its Land and the partner provides funding and expertise.

Sites Included:

The proposition included 3 core sites which are wholly owned by the Council these are: Poets Corner, Byron Quarter (Ph1) and Peel House Car Park.

HSDP – 3 Core Sites



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Peel House Car Park





Paul Walker – Corporate Director Community

Dawn Calvert – Finance Director

Julian Wain – Interim Commercial Director

Kirstan Shiels – Interim Regeneration Programme Director

Matthew Dineen – Senior Lawyer HB Law

13 Nimesh Mehta – Head of Procurement

External Consultants:

Kim Grieveson – Property Director (Avison Young)

Ishdeep Bawi – Property Accountant (Avison Young)

Scot Morrison – Partner Lawyer (Pinsent Masons)

Georgina Spadini – Lawyer (Pinsent Masons)

HSDP – Council’s Objectives

1. To deliver wider regeneration across the Borough via new and improved mixture tenure housing, civic and community facilities, new employment space and the enhanced use of property assets within the Borough
2. To accelerate the pace of housing delivery across the portfolio of sites
3. To secure wider economic and social benefits for local residents, including skills and training, health improvement and new employment opportunities
4. Use existing and new property assets to optimise value for the Council
5. To contribute to the delivery of well designed, high quality places that make a difference for communities, businesses residents and families both now and in the long term

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The Council main priorities is to re-provide the existing Civic Centre at no cost to the Council’s general fund over the period of the partnership and to maximise affordable housing across the 3 core sites.

HSDP - Procurement Process (To date):

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Date	Activity	Milestone Achieved
May & June 19	Cabinet Approval to commence HSDP procurement process	Cabinet Approval gained following Call In and resubmission to June Cabinet Meeting
21st June 19	Office Journal of European Union (OJEU) Notice was issued and Selection Questionnaires (SQ) issued to the market	Harrow launched its HSDP search
27th June 19	Successful Launch of the HSDP	Launch received well by the market – good feedback
26th July 19	SQ Bidder Deadline	13 Bids Received
8th August 19	Bidders Evaluation completed	SQ Evaluation complete
9th August 19	SQ Moderation Day	Bidders down selected from 13 to 5
12th August 19	Invitation To Submit Outline Solutions (ISOS) Documents were issued	Successful and unsuccessful bidders informed of the outcome of the process
19th August 19	ISOS Dialogue Sessions Commence	

There is a defined Evaluation Criteria agreed for the HSDP Programme which is scored and weighted below:

- Partnership & Governance = 10%
- Strategic Vision & Placemaking = 20%
- Project Delivery = 10%
- Social Value = 10%
- Financial & Business Planning = 40%
- Legal = 10%

Total Score: 100% to be evaluated at each stage

At SQ Stage each Bidder was requested to submit case studies that respond to a questions raised by the Council.

The purpose of the SQ stage is to identify bidders that meet the Council's financial criteria for the HSDP Programme and that they can demonstrate extensive expertise and expertise in similar recently delivered vehicles.

The Bidders were all asked 3 questions which they had to respond with a set word limit for each response.

17 The 3 questions were:

1. **Public Sector Partnerships** – Demonstrating their experience, Governance structures, type of partnerships and mix or risk and reward between the parties.
2. **Placemaking** – Demonstrating their experience in creating sustainable communities, identification of key stakeholders, social value improvements and delivery of successful schemes.
3. **Planning & Delivery** – Demonstrating their experience in working in the local planning process, consultation and wider infrastructure requirements for major development schemes.

Finally, all Bidders were required to submit full financial accounts and Legals to be reviewed by the Councils independent consultants.

We are currently in the Invitation to Outline Solutions (ISOS) Stage – this includes the 1st stage of Dialogue sessions with each of the bidders. The Dialogue stage includes the following areas: Vision, Delivery & Planning, Social Value, Finance & Legal.

Following the 1st Dialogue Sessions, each bidder will submit:

- Outline Design Proposals for all 3 Core sites
- Financial model demonstrating viability across the core development sites and cost neutrality in relation to the Harrow New Civic
- Social Value proposals
- Legal Papers including updated Heads of Terms

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Emerging Themes from SQ and ISOS 1st Dialogue Stage:

- Housing Zone
- Cost Neutrality New Civic Centre
- School Requirements
- Affordable Housing & Tenure Mix
- Councils Decant Strategy for Poets Corner
- Councils Car Parking Strategy

HSDP – Next Stage Procurement Process:

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Date	Activity
Invitation To Submit Outline Solution (ISOS) Submission Dates:	
18 th September 19	Deadline for receipt of Bidders ISOS Clarifications
25 th September 19	Council to respond to Clarifications
27 th September 19	Deadline for ISOS Submissions
30 th September 19	ISOS Evaluation Commences (4 week process)
24 th & 25 th October 19	ISOS Moderation Days – Down select to 2/3 bidders
Invitation to Submit Detailed Solutions (ISDS) Commences:	
28 th October 19	ISDS Documents issued on the Tender Portal
November 19 to Jan 20	ISDS Dialogue Sessions (12 weeks)
20 January 20	Closure of Dialogue and Bidders invited to submit final tenders (ISFT)
20 January 20	Deadline for receipt of ISFT Clarifications
31 January 20	Deadline for receipt of Final Tenders
1 st Feb 20	ISFT Evaluation Period (6 weeks) and Council commence drafting of Cabinet Report
12 th & 13 th March 20	ISFT Moderation Days
13 th March 20	Successful Bidder Selected

Reporting:

- HSDP Update Cabinet Reports scheduled for: October, December 2019, February and April 2020 meetings
- Labour and Conservative Group Briefings
- Leader and Portfolio Holder Fortnightly Meetings
- 20 ● Conservative Leader and Shadow Portfolio Holder Briefings
- Overview & Scrutiny Committee reports and Updates – September, November 2019

Proposed Partnership

Limited Liability Partnership

- 50/50 share: Council land/Partner resources and expertise
- Likely to have a board composed of three members each – Council to identify

Appointment

- Decision for Cabinet
- Procurement Decisions delegated to Corporate Director
- Key Council contractual and risk decisions back to Cabinet

Decision making

- Some decisions to be retained by the Council as landowner
- Other decisions by the Council as member of the partnership – equal decision making rights
- Delegations to the partnership – delegation policy to be agreed

Future Areas to discuss:

1. **Housing Zone** – completion of HZ works and links to Plot S
2. **Cost Neutrality New Civic Centre** – competing prioritises with Affordable Housing
3. **School Requirements** – defining the Councils requirements for school and location
4. **Affordable Housing & Tenure Mix** – portfolio approach across all 3 core sites
5. **Councils Decant Strategy for Poets Corner** – Phased release of Poets Corner site
- 22 6. **Councils Car Parking Strategy** – approach to Staff, New residents and Mosque parking
7. **Proposed Governance for HSDP (post appointment)** – agreed structure and membership
8. **Wealdstone Regeneration Plan** – development of wider masterplan for Wealdstone
9. **Infrastructure Plan** – ongoing development and providing opportunities for joint working with external partners
10. **Lobbying Strategy** – developing a communications strategy and plan for long term engagement with TFL, Network Rail, CCG , and External Funders GLA, etc..

Thank you
Any Questions

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