

REPORT TO: Executive Board
DATE: 25 February 2021
REPORTING OFFICER: Strategic Director – Enterprise, Community & Resources
PORTFOLIO: Physical Environment
SUBJECT: Foundry Lane Residential
WARDS: Boroughwide

1.0 PURPOSE OF THE REPORT

1.1 The purpose of the report is to update Members on proposals for residential development at Foundry Lane, Widnes, and to seek approval to appoint a Development Partner following a procurement process.

2.0 RECOMMENDATION: That Executive Board:

- (1) approves the appointment of Cityheart Limited to act as Development Partner in the regeneration of the Foundry Lane area.**
- (2) authorises the Operational Director for Economy, Enterprise and Property and/or the Operational Director for Legal & Democratic services, to ensure full legal compliance with statutory planning matters throughout the regeneration project; and**
- (3) the Operational Director for Economy, Enterprise and Property, be authorised to seek and secure grant funding in relation to the project.**

3.0 SUPPORTING INFORMATION

3.1 This regeneration project was last reported to Executive Board in January 2019 (EXB77). Members supported the acquisition of the Stobart site, forming a larger site with the former Tarmac site. Both sites have now been vacant since February 2020.

At the time £1.8m Homes England grant funding was agreed in principle to 'kick-start' this project in December 2019. At pre-contract stage in June 2020 however, due to delays caused by Covid-19, Homes England withdrew this grant funding.

The Liverpool City Region Combined Authority however, has agreed as part of its Brownfield Land Fund, to make the grant funding of this project one of its key priorities, subject to a formal application process. Discussions with the Combined Authority are relatively advanced – and it has been agreed that Halton Borough Council will work up a funding application in conjunction with the Development Partner, early in 2021.

3.2 Tender Process - In conjunction with the Combined Authority acting in full participation throughout (including evaluation and interview), a procurement exercise was undertaken as per the timetable below:

Event:	Date:
Publication of RFQ	19 October 2020
Closing date for questions	10 November 2020
Closing date for submission	23 November 2020
Evaluation	24 November - 15 December 2020
Verification Interview	6 January 2021
Contract Award	TBC
Contract Start Date	TBC

Two tenders were received one from Cityheart Limited, and another from an unsuccessful bidder. Both responses were valid and credible. A robust 3-party evaluation process was then carried out, comprising two Council Officers and the Housing Partnerships Lead Officer at the Combined Authority.

All three evaluators unanimously scored the tender provided by Cityheart Limited the highest. Cityheart Limited scored highest overall, and in each of the six 'Quality' question areas individually. This meant that the varied weighting attached to each question (see below for percentage weightings) was academic, as Cityheart Limited scored highest in each question, and therefore by default overall.

The input of the Combined Authority was invaluable at two particular points – firstly in the assembly of the RFQ document itself, and secondly as part of the evaluation process. This input ensured genuine objectivity at all times.

All three evaluators used the same scoring criteria to evaluate the two responses. The scoring criteria – set by the Council's procurement team – were as follows:

- 5 Exceeds the service standards – Excellent detail with added value
- 4 Meets all the service standards – Good detail and evidence
- 3 Meets all the service standards – Basic detail provided
- 2 Mostly meets but fails in some of the service standards
- 1 Mostly Fails but meets in some of the service standard
- 0 Completely fails to meet the service standard

These criteria were applied uniformly to each of the six 'Quality' question areas respondents were asked to respond to:

- 1 Development Appraisal (25%)
- 2 Work Programme (20%)
- 3 Critical Path analysis (15%)
- 4 Organisational team (15%)
- 5 Risk Register (15%)

6 Social / added value (10%)

The combined scoring matrix assimilating all three evaluators' individual evaluation scores was as follows:

	Unsuccessful bidder	Cityheart Limited
Development Appraisal	2	4
Work Programme	3	4
Critical Path analysis	2	4
Organisational team	3	4
Risk Register	3	4
Social / added value	2	4

Executive Board is therefore asked to approve the appointment of Cityheart Limited to act as Development Partner in taking forward the Foundry Lane area regeneration project.

3.3 Council-owned land (the former Tarmac and Stobart sites)

The Council commissioned detailed site/ground investigations work across the 1.93ha land in its ownership in March/April 2020. The findings of the investigation, carried out by Tier Construction Ltd) revealed, as expected, land contamination. The extent of contamination is not as extensive as anticipated however, and the re-development of this land will be 'relatively' straightforward. The remediation of this land will become a priority for the Development Partner.

3.4 Non Council-owned land

There are a further 14 parcels of land adjoining the Council-owned 'phase one' land, which would form a 'phase two' of regeneration. These parcels of land are owned by a multiplicity of landowners. This second phase of regeneration is a far more complex proposition – hence the need for an experienced Development Partner.

No detailed site investigation has been able to be carried out across these 14 land parcels – although it is known that land contamination will be found, and flood mitigation works will be required.

Land acquisition will clearly be key to the success of this regeneration project. The Council will work closely with the Development Partner to ensure full and ongoing consultation and negotiation. The Council is keen to avoid utilising a CPO and it will be the option of last resort. No authority is requested at this time.

Communication and negotiation with landowners and their tenants is in its infancy – although an initial newsletter was sent to all known stakeholders in November 2020. Some landowners are known to be keen to sell; whilst some are

known to be reluctant; some are interested in selling at highly inflated prices; and the views of some are simply not known at this stage.

4.0 POLICY IMPLICATIONS

- 4.1 The Foundry Lane site is within an action area within the Unitary Development Plan (UDP) – which allows for residential use. In relation to the Emerging Local Plan, the site is allocated for residential use.
- 4.2 An Outline Planning application in relation to the ‘phase one’ Council-owned land and also includes a concept master plan for the whole area is currently with the Local Planning Authority (LPA) – with determination expected in February 2021. The application contains information on ecology, highway impacts, noise, flooding and contaminated land.
- 4.3 Replacing some of the current industrial uses in the Foundry Lane area with housing, will also have the benefit of removing some of the heavy goods vehicles from the local roads and with it, potentially reduce noise.
- 4.4 Members and Officers alike are keen to support all legitimate businesses find alternative premises. The Business Improvement & Growth team are currently working with businesses who have started looking at relocation. Where at all possible, we would want to retain these businesses within the borough. However, it is acknowledged that a number of the businesses affected will not be paying market rents, and to move to alternative premises at market rents could prove challenging for them.

5.0 FINANCIAL IMPLICATIONS

Every effort will be made to make the scheme cost neutral to the Council, by accessing grant funding and working closely with the Development Partner. If there is a requirement for the Council to make a contribution to this important regeneration project, it will be subject to a separate report.

6.0 IMPLICATIONS FOR THE COUNCIL’S PRIORITIES

6.1 Children and Young People in Halton

The project will provide new, quality family homes – some of which will be affordable housing.

6.2 Employment, Learning and Skills in Halton

The project will provide opportunities for people seeking construction related employment.

6.3 A Healthy Halton

New, quality homes will help to promote a better quality of life locally.

6.4 A Safer Halton

The design of the homes provided will take security fully into account, and safer by design principles will feature. It will also remove a long standing nuisance area.

6.5 Halton's Urban Renewal

This project will act as a catalyst to attract house-builders and developers into the area by creating an attractive and well-accessed built environment.

7.0 RISK ANALYSIS

The project is not without inherent risks. However, the Council will manage and mitigate these risks. A directly employed, dedicated Project Officer with extensive housing and regeneration experience has been in post since January 2020 to oversee the project. The Project Officer also has the full support of the Regeneration Manager, as well as the full support of the wider Economy, Enterprise & Property department (which includes Asset Management, Property Services, Business Improvement & Growth and External Funding). The project will have to obtain all necessary consents and statutory approvals. However, there will be resources available to administer these aspects of the project from Council colleagues in Contaminated Land, Planning and Highways.

8.0 EQUALITY AND DIVERSITY ISSUES

Not applicable.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None.