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Dear Councillor

POLICY & FINANCE COMMITTEE - THURSDAY, 28TH NOVEMBER, 2019

I now enclose, for consideration the following reports that were unavailable when the agenda was published.

Agenda No Item

- 12. **Ollerton Hall** (Pages 2 - 4)

- 16. **Possible Purchase of Additional Land at Bowbridge Road, Newark** (Pages 5 - 9)

- 20. **Ollerton Hall Update - Exempt Appendix** (Pages 10 - 17)

POLICY & FINANCE COMMITTEE

28 NOVEMBER 2019

OLLERTON HALL – SUPPLEMENTAL INFORMATION

1.0 Update

1.1 At the time of agenda print Members will recall that the third and final interview with shortlisted bidders had not taken place. That interview has now concluded, with a 'preferred' (1st) and 'under' (2nd) bidder having been identified.

1.2 The full details on how each of the bidders were appraised, including financial offers are provided via the exempt **Appendix B**. A public facing summary of the proposal considered is provided via **Appendix A** attached to this open agenda report.

1.3 Bids

1.4 There were 3 no. parties shortlisted for interview to explore further the nature of proposals, intentions for works, timescales, deliverability, and financial stability. A summary of the categories considered, and weighting against these categories, is provided at Appendix A.

1.5 The Ability to Control and Monitor Implementation

1.6 A pre-requisite for consideration for all bids is that the developers agreed to a leasehold deal in the first instance, with a freehold disposal price being set (in line with the price offered by that bidder) with the Council at the point any lease is entered into. The lease would then be structured such that the preferred bidder can, once landowner (the Council), planning permission and Listed Building consent has been secured, commence with implementation of the scheme. Only on practical completion will the preferred bidder be able to complete on the freehold purchase at the pre-agreed purchase price. This will assist the developer with cashflow (minus deposit) in implementing works, whilst assisting the Council in securing delivery, which Members may recall is one of the key outcomes for this project given the well-rehearsed history of this site. Throughout any building process it is recommended that the Council employs a 'Clerk of Works' (paid for from the deposit required from the developer) who will be responsible for the ongoing monitoring of the developers build programme (in terms of quality and timetable).

1.7 Summary of the Proposal

1.8 Two of the preferred bidders (A and C) have promoted residential apartments within the building, both with the need for an element of stand-alone but 'sensitive' (perhaps barn or cart-shed structures) building within the grounds. Bidder B has promoted an office use.

1.9 From the assessment provided in summary at Appendix A and as Exempt at Appendix B Members will see that there are, as one would expect, strengths and weaknesses of all bids. However, it is considered that there are 2 proposals (both of which are for the residential offering) which are clearly preferred. Of these, bidder C scores highest offering a combination of price, commitment to a conservation restoration-led (subject to detailed design and agreement), experience, and programme that offers confidence of delivery.

That is subject to a number of additional caveats and requirements which I set out below. For the avoidance of doubt Bidder C will be formally retained as under bidder, should bidder A withdraw, given that this proposal also has merit in terms of delivery of an appropriate end scheme in a timely matter.

1.10 Proposed terms and controls

1.11 Officers will now progress with a due diligence phase which we seek to check or agree the following:

- Financial checks on the bidder and therefore the organisation with which the Council would be entering into any lease contract, and ultimately disposing the freehold interest of the land to
- Agreement on an internal schedule of conservation works (to be provided by the Council) to be reflected in any planning and listed building consent application submitted by the preferred or under bidder
- Finalisation and agreement of Heads of Terms, including timescales for the Council and landowner approving a final scheme, the securing of planning permissions, implementation of the project and final freehold disposal, and the appointment of a Council Clerk of Works throughout the process.

2.0 **RECOMMENDATIONS that:**

- (a) **the update provided be noted, particularly the proposals to progress with the approach details at paragraph 1.11 of the agenda; and**
- (b) **Members approve any capital receipt secured from the sale of the freehold of Ollerton Hall (net of any associated fees, including the Council's Clerk of Works) be ring fenced towards regeneration proposals within the Ollerton and Boughton areas which are currently being developed within the Housing Strategy and Development Business Unit.**

Evaluation: Ollerton Hall preferred bidders

APPENDIX A

Criteria	Weighting		A	B	C	Comments
Price & tenure	20%		10	12	20	C offered highest bid B offered middle bid C offered lowest bid, albeit closer to B
Experience	15%		15	3	15	A and C demonstrated extensive experience, B more limited in terms of what was presented.
Appropriateness of end-use	15%		10	5	10	A and C proposed residential uses, both with 'limited' works within grounds. B proposed offices, bit with limited detail.
Extent and nature of renovations	15%		5	10	7	A had most advanced plans, including initial designs but involved interventions and less conservation restorations proposals. B would have least intervention, albeit no detail provided. C has agreed to sign up to an agreed extent of conservation works..
Availability of funding*	15%		15	0	15	A and C clearly demonstrated funding streams available. No such evidence from C. *Due diligence still required on all bidders.
Delivery	20%		15	0	20	Clear that A and C can deliver efficiently, but some reservations as to whether A can satisfy owner requirements for conservation works. No evidence from C on delivery.
Total	100%		70	30	87	
Rank			2 nd	3 rd	1 st	

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