

Peel Development Site

Prior Information Notice: Memorandum of Information

26 May 2017



Contents

Introduction	1
Purpose of this Document	1
The Vision.....	1
Project Overview.....	3
Location.....	3
Existing Uses.....	5
Communications	5
Town Planning.....	5
Development Proposals.....	6
Proposed Development Phasing.....	8
Planning Permission.....	9
The Council's Outline Requirements	11
Uses.....	12
The Council's Commitment.....	13
Proposed Procurement Process.....	14
Indicative Procurement Timetable	15
Next Steps	16
Market Testing Questionnaire	16
Developer Day.....	16

Introduction

Purpose of this Document

The London Borough of Brent (“the Council”) is seeking to procure a delivery partner to bring forward a high quality residential led mixed use redevelopment of the Peel site (“Peel”), located in South Kilburn, NW6.

This Memorandum of Information (“MOI”) provides interested parties with background information in respect of the Peel development opportunity, including outlining the Council’s requirements, and providing details of the procurement process. It should be read in conjunction with the accompanying Prior Information Notice (PIN).

Neither the PIN nor the MOI, nor any other supporting information, should be construed as representing an invitation for bids. Once the Council has considered feedback arising from the PIN process, it intends to then advertise a Contract Notice in the Official Journal of the European Union (OJEU) and invite interested parties to complete and return a Selection Questionnaire. Further details are provided within this document.

The Vision

Peel forms the centrepiece of the wider regeneration programme at South Kilburn, being promoted by the London Borough of Brent. It is intended to deliver 226 new homes and a high quality health centre, to serve the growing local community.

The 15 year regeneration programme at South Kilburn is already underway, and once complete will deliver a minimum of 2,400 homes across the entire programme, up to half of which will be for existing South Kilburn secure tenants. So far this has created exemplar, award winning housing design and public open spaces.

Phase one has already delivered 700 homes, including a mix of private and social rented units. This phase is fully sold/occupied. Half of the planned 746 homes in Phase two are already complete. The most recent schemes completed in this Phase are the 144 apartments at the popular Queen’s Park Place development by Linkcity/Londonewcastle and the high quality development at Kilburn Quarter (Network Homes Ltd) comprising 229 homes.

Brent Council has also just agreed to appoint Telford Homes Plc., with Notting Housing Group as the nominated registered provider for the Gloucester House and Durham Court site which is due to deliver a total of 236 homes, public open space and space for the South Kilburn District Energy Centre, where work is due to start on site in late 2017.



*Phase 1 – Queen's Park Place Development
(Linkcity/LondonNewcastle, 2017)*



*Phase 2 – Bronte and Fielding House
(Alison Brook Architects, 2017)*

The Peel site sits at the centre of South Kilburn and forms part of the current and proposed phase three of the redevelopment programme.

A South Kilburn Masterplan review took place in 2016, and underwent extensive local consultation from July through to December 2016. These responses fed directly into the revised South Kilburn Supplementary Planning Document ("SPD"), which went out to consultation between February and March 2017. The SPD will be considered for adoption at the June 2017 Cabinet and will be an important document in determining how this area continues to transform over the next 10-15 years. If adopted, this will provide a new phasing plan for South Kilburn and includes additional sites to form part of the South Kilburn Regeneration Scheme. The 2016 Masterplan is available on the Council website and the draft SPD consultation document is also available.

<https://www.brent.gov.uk/your-community/regeneration/south-kilburn-regeneration/south-kilburn-masterplan-review-2016/>

<https://www.brent.gov.uk/southkilburnspd>

The South Kilburn regeneration programme also includes the development of new parks, a new local primary school, new health facilities (included as part of the Peel site), an improved public realm, improved environmental standards, new retail and a site-wide energy solution.

The South Kilburn Regeneration Programme has won numerous awards including:

- The Peel Development Site won the Place West London Awards 2017 Future Project award
- Woodhouse Urban Park – BALI Regional, National, Principal Award 2016 (Regeneration)
- Woodhouse Urban Park – BALI Regional, National 2016 (Community Schools and Development)
- Queens Park/Cullen House 2016 New London Awards (Mix Use) – Unbuilt
- Ely Court – RIBA Regional and National Awards 2016
- Ely Court – Housing Design Awards 2016

Project Overview

Location

South Kilburn is located within north-west London and is in close proximity to the affluent residential neighbourhoods of Maida Vale, Queens Park and West Hampstead. It is situated at the southern extent of the London Borough of Brent and is close to the Borough's boundary with the City of Westminster.



South Kilburn Boundary Area (Penyore & Prasad, 2016)

South Kilburn is a predominantly residential area, although contains pockets of other uses such as employment, open space, social infrastructure and shopping parades.

The Peel site is located in the centre of South Kilburn and is bound by, Carlton Vale to the south (B413), Granville Road to the east, Neville Road to the west and Denmark Road to the north.

The core area of Peel is pedestrianised with low rise residential and a small parade of local shops. The intention is to re-open this core area and re-connect into the surrounding area and improve the residential offer. The Peel site is seen as providing a valuable link for residents, connecting to bus stops on Carlton Vale and to the Kilburn Park School which is located to the south side of Carlton Vale.



Peel Site Aerial (for illustrative purposes only)

Existing Uses

The Peel site currently comprises two parades of commercial, D2 and Sui Generis uses of five buildings sized between one and four storeys, constructed in the late 1960s, when much of the South Kilburn estate was developed.

A total of 36 social rented affordable housing units are situated on site, which are intended to be replaced as part of the Peel development. There are 20 housing units which are deemed to be owner occupiers/leaseholders.

The Council is in negotiations to acquire the third party interests in the Site and will take responsibility for delivering vacant possession.

Communications

The Peel site is ideally positioned to take advantage of the superb transport links nearby. The site is equidistant (circa 0.2 miles) west of Kilburn Park Station (Bakerloo Line), east of Queens Park Station (Bakerloo Line and Overground) and is located in Zone 2 and west of Kilburn High Road Station (Overground).

Paddington Station (1.8 miles to the south of the Peel site) provides fast train links to the South West, including locations such as Oxford, Swindon, Bath, Bristol and Cardiff. Paddington Station will also be a stop for the Elizabeth Line (formerly Crossrail) from December 2018, which will significantly increase the capacity of the station.

Town Planning

The Peel site is located in London Borough of Brent. Brent's Core Strategy was formally adopted by the Council on 12 July 2010. The policies contained within this document replace Brent's Unitary Development Plan 2004.

The existing buildings on the Peel site are not listed. The South Kilburn Conservation Area lies to the east of the site.

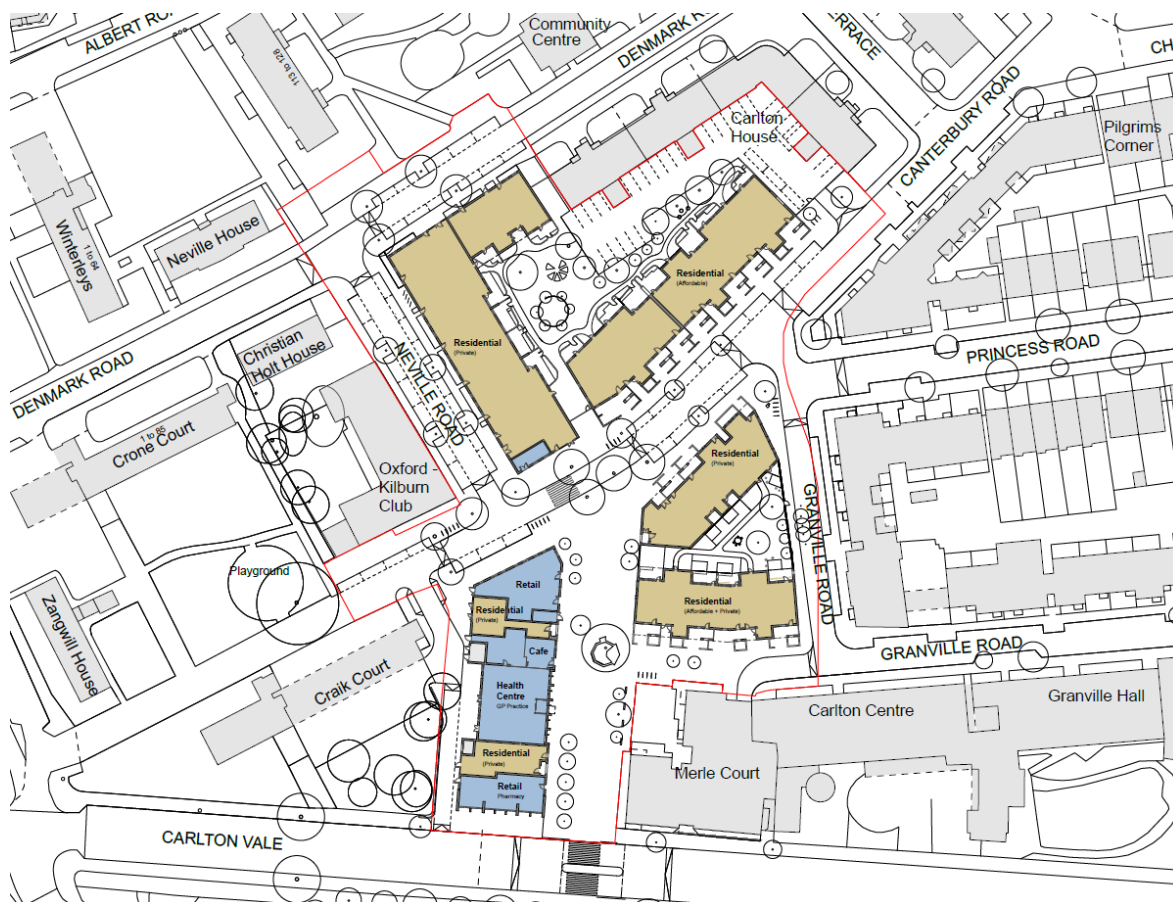
The draft South Kilburn Supplementary Planning Document ("SPD") is available to view via the following link: <https://www.brent.gov.uk/southkilburnspd>.

Interested parties should note that a revised South Kilburn SPD is due to go to Brent's Cabinet in June 2017.

Development Proposals

In 2015 the Council commissioned a multi-disciplinary design team, led by Penoyre and Prasad architects, to develop a masterplan for the Peel site.

The proposed site plan for the Peel Development is shown below:



Proposed Site Plan (Penoyre & Prasad, 2016)

This masterplan was subsequently developed through RIBA Stages 1, 2 and 3 and was then submitted as a hybrid planning application in September 2016, for a scheme comprising the following uses:

Table 1: Residential Uses

Use	Units	Percentage	GIA (Sq M)	GIA (Sq ft)
Private	184	81.4%	18,055	194,342
Social Rented	42	18.6%	4,517	48,621
Total	226		22,572	242,963

Table 2: Non-Residential Uses

Use	GIA (sq. m)	GIA (sq. ft.)
A1 Pharmacy, Supermarket and Cafe	385	4,144
D1 Core Health Centre (3 GPs)	1,357	14,607
Flexible Wing Space – A1/D1/D2	706	7,599
Market Store / Office (Sui Generis)	27	291
Non-Residential Plant	80	861
Total	2,555	27,502



Diagram showing building names and hybrid application split between full (in pale green) vs outline (in pale red) approval. (Penoyre & Prasad, 2016)

Proposed Development Phasing

The phasing plan which accompanied the planning application assumed the delivery of the Peel scheme in three principal phases, as illustrated below.



Phasing and Decant Plan (Penoyre & Prasad 31.01.17 - updated following planning comments)

The site is split into 3 phases. The rationale for this approach is to facilitate the early delivery of replacement affordable units for existing secure tenants, which will in turn release other parts of the site for development. There is also a desire to build the new health centre as early as possible, both to allow for the new facility but also because the Health Centre building will house the new energy centre required for the whole development.

- Phase 1 - would require the vacation and demolition of the South Kilburn Studios (2A Canterbury Road), as well as 16-33 Peel Precinct. This would allow the first 38 affordable units to be constructed in Block E, housing all secure tenants currently remaining on the Peel Site.
- Phase 2 would require 1-7 & 15 Peel Precinct and 8-14 Neville Close to be vacated. Once vacant possession has been secured blocks A, B and C can be constructed. This will contain 64 private sale units, the health centre and the commercial units (Blocks, A, B and C).
- Phase 3 would require the demolition of 34-57 Peel Precinct and 97-112 Carlton House. This would allow for the construction of blocks D, F and G (submitted in outline), which will contain up to 120 private sale units and 4 affordable units.

It is worth noting however that Phase 2 and 3 could potentially be built out at the same time if all properties are vacant and reserved planning matters have been dealt with.

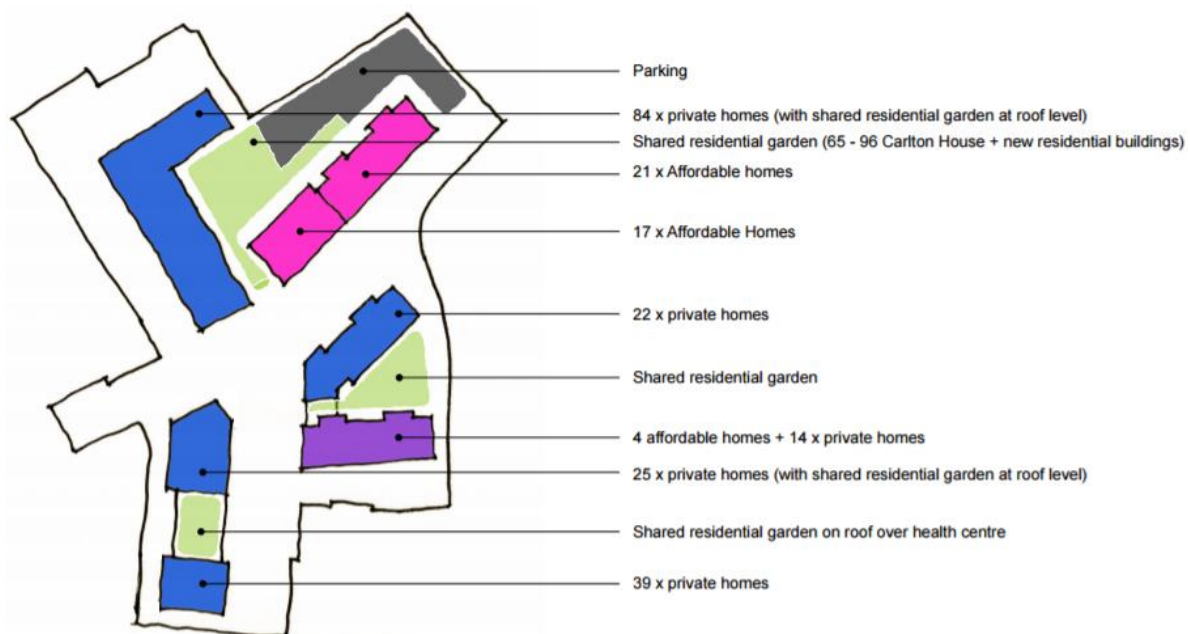
As part of the procurement process, the Council wishes to test the ability to refine and expedite the development programme with prospective bidders.

Planning Permission

On the 15 February 2017, the Planning Committee resolved to grant planning permission for the Peel site for the phased demolition and redevelopment of all existing buildings on site, to provide new affordable and private residential accommodation, alongside a new health centre (class D1), A-class retail uses, flexible non-residential use (class A1/D1/D2), and a new public linear square.

Due to the size of the scheme, the application was referred to the Mayor of London. On 14 March 2017, the Mayor of London stated that he was content to allow Brent to determine the case itself, subject to any action the Secretary of State may take and does not therefore wish to direct refusal or to take over the application for his own determination.

More information on the consented scheme can be found using the Council's planning portal (<https://pa.brent.gov.uk/online-applications/search.do?action=simple&searchType=Application>) using the following reference 16/4174.



Proposed Tenure Mix Diagram (Penoyre & Prasad, 2016)



CGIs of Consented Scheme (Penoyre & Prasad, 2016)

The Council's Outline Requirements

For the purposes of PIN and to give interested parties an overview of the anticipated next stage of the procurement process, the Council's outline bid requirements are summarised below.

The opportunity to deliver a scheme of this potential in an area of high quality regeneration, will require a team which can demonstrate an outstanding track record of: delivering high quality residential and community developments; and adding value through all stages of the development process.

The Council will expect its delivery partner to take the lead on developing and delivering proposals for the site.

Specific outputs sought from the selected delivery partner will include the following:

- Obtaining a reserved matters planning permission for the outline elements of the scheme, for a high quality, mixed tenure residential development, together with a Health Centre;
- Securing all necessary project funding;
- Taking the lead on stakeholder engagement and consultation, which will include discussions with the NHS and securing an occupier for the health centre (it should be noted that the Council is in dialogue with Brent CCG, NHS England and the three local GP practices identified for the new Health Centre);
- Delivering a minimum of 42 affordable units to form part of the South Kilburn Decant Programme. It is expected that these affordable units will be managed by a Registered Provider, to be identified by the Delivery Partner. The Council will secure nomination rights on the affordable units and they will be allocated to secure Council tenants currently residing within Peel or blocks earmarked for redevelopment within the next phase(s) of the South Kilburn Regeneration Programme. Rent levels for the affordable units at the Peel site once complete will be set at rents equivalent to the Homes and Communities Agency Target Rent levels.;
- Being responsible for the construction and programme management for the development; and
- Marketing and sales of the private residential units, health centre and retail space.

Uses

All shortlisted Bidders will be required to prepare a bid, which incorporates the following uses as set out within the planning permission (refer to Planning Permission section):

Table 3: Residential Uses

Use	Units	Notes
Private Residential	184	
Social Rented Residential	42	Minimum requirement
Total	226	

Table 4: Non-Residential Uses

Description	Use Class(es)
Ground floor retail uses (Blocks A and C)	A1 and A3
Health Centre (for at least 3 GP practices)	D1
Flexible Wing Space (Blocks A and C)	A1/D1/D2
Market Store / Office	(Sui Generis)

Shortlisted bidders will be afforded flexibility to optimise the scheme during the procurement process subject to delivery of key outputs.

Bidders should also note that the Council, as landowner, wishes to use the procurement process to test the viability of substituting approximately 14 private residential units with shared equity units or other affordable tenures.

Further details will be provided to Bidders shortlisted after the Selection Questionnaire process.

The Council's Commitment

The Council is committed to promoting an opportunity which is both viable and deliverable and recognises that by defining clear commitments and expectations it can help support the process from the outset.

The following principles are therefore intended to guide interested parties in their approach to assessing the opportunity:

- The Council owns the freehold of the site and is currently in the process of securing vacant possession of the site through agreement and, if necessary, through a CPO.
- The Council will set down a clear brief to shortlisted parties following the SQ process, which will set out the bid parameters, including details of areas where negotiation will be permitted. The outline parameters for the Competitive Procedure with Negotiation Stage are set out within the following section of this document.
- The Council expects its consideration to comprise a capital receipt and overage provisions. There will be the flexibility to negotiate how these elements are structured during the procurement process.
- The evaluation of bids will have regard to quality, community value, and price. Further details on the Council's evaluation criteria and weightings will be provided to bidders invited to participate in the Competitive Procedure with Negotiation stage.

Proposed Procurement Process

The procurement process will be undertaken in accordance with the Competitive Procedure with Negotiation ("CPN") Procedure under the Public Contracts Regulations 2015. Parties wishing to participate will be invited to complete and submit a Selection Questionnaire ("SQ") to the Council.

The Council intends to advertise a Contract Notice in OJEU this summer. The Contract Notice will be accompanied by the SQ, which will enable the technical capability of interested parties (as well as their partner companies and guarantors, where relevant) to be assessed. Prospective Bidders will also be asked to validate that they can meet the Council's financial requirements, which will be assessed by the Council prior to contract award. Evaluation of completed SQs will enable the Council to shortlist a limited number of parties to respond to an Invitation to Competitive Procedure with Negotiation ("ICPN").

The CPN process is being used to reduce the time and complexity of the procurement process. The Council aims to:

- Run a structured selection process, with the intention of selecting a preferred development partner by late 2017; and
- Define a number of key development parameters to help reduce the number of areas of negotiation.

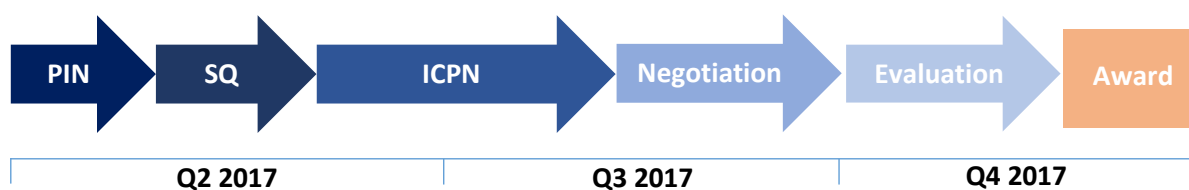
The selection process will be as follows:

1. **Selection Questionnaire** – this will be used to assess the capability and track record of parties interested in delivering this project. The Council will shortlist up to five parties following evaluation of the SQ process.
2. **Competitive Procedure with Negotiation** – this will involve the preparation of initial submissions, following which the Council reserves the right to select a preferred bidder or down-select the number of Bidders and enter into a further round of negotiation. The remaining Bidders will then be invited to meet with the Council to negotiate and refine their submissions.

Indicative Procurement Timetable

The proposed timetable for this selection process is summarised below:

Task	Date
PIN Notice	24 May 2017
Deadline for PIN Questionnaire Return	9 June 2017
Developer Days	13 and 15 June 2017
SQ Issued	Summer 2017



Please note that the Council reserves the right to amend this timetable. The full timetable will be released within the SQ.

Next Steps

Market Testing Questionnaire

In advance of the procurement process commencing, the Council has prepared a market testing questionnaire to capture feedback on a number of areas.

The questionnaire is web-based and is accessible via this URL:

<https://www.surveymonkey.co.uk/r/DFDCRBY>

The questionnaire will remain open until 5.00pm on **Friday 9 June 2017**.

The Council will use the results of the questionnaire and feedback arising from the Developer Days to help inform the requirements of the subsequent procurement process.

Developer Day

The Council will be hosting Developer Days prior to the commencement of the procurement process.

The Developer Days will be held in South Kilburn on the **13 and 15 June 2017**. Attendees will be provided with a specific slot to meet with the Council and its advisors, Deloitte Real Estate.

Please contact Deloitte Real Estate to register your attendance:

Contact	Email Address	Telephone Number
Rebecca Trueman	rtrueman@deloitte.co.uk	0113 292 1593
Alex Morton	amorton@deloitte.co.uk	0207 303 3847

Alternatively, you can confirm your attendance via the messaging tool on the portal (www.londontenders.org).

