

WIRRAL COUNCIL

CABINET – 19<sup>TH</sup> MARCH 2009

REPORT OF THE DEPUTY CHIEF EXECUTIVE/DIRECTOR OF CORPORATE SERVICES

**LOCAL DEVELOPMENT FRAMEWORK FOR WIRRAL - EVIDENCE BASE – STRATEGY FOR TOWN CENTRES RETAIL AND COMMERCIAL LEISURE – EXTENSION OF CONTRACT**

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**1. Executive Summary**

- 1.1 Members will be aware that a series of consultancy studies have been commissioned as part of the process of assembling an evidence base for Wirral's Local Development Framework.
- 1.2 This report advises of an extension to the contract for the Retail, Town Centres and Commercial Leisure study currently being prepared by Roger Tym & Partners to carry out additional survey work to assess the impact of the Liverpool One development on the Borough. Roger Tym and Partners have submitted a fee proposal of an additional £10,885 exclusive of VAT to undertake this work, plus survey fees of £11,590 plus VAT (total of £22,475 plus VAT). The Council's Contract Procedure Rules (5.1.2) require Cabinet approval for the extension of an existing contract. However, in view of the need to commission this additional work as soon as possible, advice was taken from the Council's Procurement Section and the proposed extension of the contract was authorised by the Deputy Chief Executive/Director of Corporate Services under delegated powers, in consultation with the Leader of the Council on the understanding the matter be reported to Cabinet. This report therefore recommends that Cabinet notes the action of the Deputy Chief Executive/Director of Corporate Services under delegated powers to agree the extension of the contract with Roger Tym & Partners to undertake an additional household survey and associated analysis for a fee of £22,475.

**2. Report**

- 2.1 Cabinet on the 15<sup>th</sup> March 2007 resolved to commission a number of background studies to provide an up-to-date evidence base for the preparation of a Core Strategy Development Plan Document for Wirral. Cabinet resolved that the studies be commissioned through Request for Quotation from a list of identified providers (Minute 284 refers). These included a Town Centres, Retail and Commercial Leisure Study with an estimated budget of £35,000.
- 2.2 Cabinet on 7<sup>th</sup> February 2008 resolved to vary the scope of work and adjust the budgets and programming of a number of studies including the Town Centres Retail and Commercial Leisure Study and to carry over the commissioning process into the 2008/9 financial year (Minute 502 refers). Roger Tym & Partners (RTP) were subsequently appointed — for a fee of £44,946 excluding VAT but including expenses. Their appointment was subsequently reported to Regeneration and Planning Strategy Overview and Scrutiny Committee on 10<sup>th</sup> September 2008 in accordance with the Council's Contract Procedure Rules (Item 5 refers).

- 2.3 One of the key elements of the Town Centres, Retail and Commercial Leisure Study is a survey of households to assess shopping and expenditure patterns of Wirral residents, the findings of which inform much of the analysis and recommendations of the study. This was undertaken at the end of April 2008.
- 2.4 In the past few months it has become clear that the Liverpool One shopping development in Liverpool City Centre which opened after the survey was undertaken has had a very successful first few months of operation and has exceeded most expectations. Both RTP and officers are concerned that a study based only on the April 2008 survey may underestimate the impact which Liverpool One may have had on the Borough. The Wirral LDF Core Strategy is intended to provide a strategic planning framework for the next 15-20 years, so the evidence which informs it needs to be robust and long-lasting. A study based only on the April 2008 survey might be open to challenge as having been based on evidence which has been overtaken by events.
- 2.5 It is therefore proposed that the household survey be re-run so that an accurate "before and after" assessment of the impact of Liverpool One can be made. RTP have obtained quotes from the firm which undertook the survey in April 2008 (NEMS) together with a second company (Research and Marketing) in order to test the market. It is understood that these are the two leading companies experienced in this type of work. They have both provided RTP with 3 quotes for surveys based on 1,500, 2,000 and 2,500 household sample sizes. NEMS' quote for 1,500 households (which would be consistent with the previous survey) is £11,590 plus VAT, with Research and Marketing quoting £10,425 plus VAT. Although marginally more expensive, RTP recommend using NEMS in the interests of consistency with the earlier survey. RTP's fee for the additional analysis and amendments to their report which would be required is £10,885 (exclusive of VAT). This gives a total additional fee of £22,475 excluding VAT.
- 2.6 As this is an extension of RTP's existing contract rather than a cost variation, Section 5.1.2 of the Contract Procedure Rules requires that this is approved by Cabinet and provides value for money for the Council. In this case, RTP have already been appointed to undertake the preparation of the Town Centres, Retail and Commercial leisure study. They have a full understanding of the current issues relating to town centres and retailing in the Borough, have completed much of the background survey and other work needed to inform the conclusions of the study and have already issued an initial draft report. The additional analysis needed is limited to that arising directly from the re-run of the household survey. Incorporation of this additional survey work within the existing study will provide a comprehensive "before and after" picture in a single integrated and seamless report. If RTP were instructed to complete the report based only on the April 2008 survey, as indicated in 2.4 above, it might be open to challenge as having been based on evidence which has been overtaken by events, greatly reducing the value of the report to the Council.
- 2.7 Given the work already completed, it would not be value for money to appoint a different consultant to undertake this additional work. A fresh Request for Quotation process to undertake the survey work and new analysis would further delay the completion of a study which is of importance not only in an LDF context but also in terms of guiding and informing the consideration of retail and leisure planning applications such as those likely to be forthcoming.

in connection with Wirral Waters. A different firm of consultants may also wish to repeat some of the background work already undertaken by RTP, at additional cost. It is concluded therefore that extension of the existing contract with RTP will provide best value for the Council.

- 2.8 In view of the need to commission this additional work as soon as possible, advice was taken from the Council's Procurement Section and the proposed extension of the contract was authorised by the Deputy Chief Executive/Director of Corporate Services under delegated powers, in consultation with the Leader of the Council on the understanding the matter be reported to Cabinet. Roger Tym & Partners were instructed accordingly on February 24<sup>th</sup> 2009. The survey work and additional analysis is expected to be completed by the end of April 2009.

### **3. Financial Implications**

- 3.1 The original contract sum of £44,946 excluding VAT has been increased by £22,475 excluding VAT for the reasons stated in the report. The additional fee of £22,475 excluding VAT can be met from existing unallocated Planning Delivery Grant.

### **4. Staffing Implications**

- 4.1 There are no staffing implications arising directly out of this report.

### **5. Equal Opportunities Implications**

- 5.1 There are no equal opportunities implications arising directly out of this report.

### **6. Community Safety Implications**

- 6.1 There are no community safety implications arising directly out this report.

### **7. Local Agenda 21 implications**

- 7.1 There are no Local Agenda 21 implications arising from this report.

### **8. Planning Implications**

- 8.1 The Town Centres, Retail and Commercial Leisure Study forms part of the evidence base for the emerging Wirral Local Development Framework.

### **9. Anti-poverty implications**

- 9.1 There are no anti-poverty implications arising from this report.

### **10 Human rights implications**

- 10.1 There are no human rights implications arising from this report.

### **11. Social Inclusion Implications**

- 11.1 There are no social inclusion implications arising from this report.

**12. Local member Support implications**

12.1 There are no Local Member Support implications arising from this report

**13. Background Papers**

13.1 Report to Cabinet 15<sup>th</sup> March 2007 – Local Development Framework for Wirral – Evidence Base can be viewed at:

<http://www.wirral.gov.uk/minute/viewagenda.asp?mtg=1972#17>

13.2 Report to Cabinet 7<sup>th</sup> February 2008 – Local Development Framework for Wirral – Evidence Base – Amended Financial Provisions can be viewed at:

<http://www.wirral.gov.uk/minute/viewagenda.asp?mtg=2284#30>

13.3 Report to Regeneration and Planning Strategy Overview and Scrutiny Committee -10<sup>th</sup> September 2008 – Local Development Framework for Wirral – Appointment of Consultants can be viewed at:

<http://www.wirral.gov.uk/minute/viewagenda.asp?mtg=2696#5>

**14. Recommendation** – That the action of the Deputy Chief Executive/Director of Corporate Services under delegated powers to agree the extension of the contract with Roger Tym & Partners to undertake an additional household survey and associated analysis for a fee of £22,475 be noted.

J Wilkie – Deputy Chief Executive/Director of Planning and Economic Development

This report has been prepared by John Entwistle of the Forward Planning Section who can be contacted on 691 8221