

City Deal: Clyde Waterfront and West End Innovation Quarter Windmillcroft Quay (Ward 5) – Termination of formal agreement etc noted.

4 There was submitted a report by the Executive Director of Neighbourhoods, Regeneration and Sustainability regarding the progress and status of the Windmillcroft Quay (Ward 5) project, advising that

- (1) the City Deal Clyde Waterfront and West End Innovation Quarter sub-programme aimed to regenerate the river corridor as a desirable urban quarter that attracted jobs, investment and contributed to regional economic growth and that approximately £50m of capital investment had been allocated from the City Deal Infrastructure Investment Programme to address the structural integrity of certain portions of the quay walls, enhance connectivity and improve place quality at the river edge;
- (2) in June 2018, the Council had invited expressions of interest from 3rd parties seeking funds for essential quay wall works and this committee on 27th September 2018 (Print 4, page 323) had noted the expression of interests received and the criteria used to evaluate the proposals and authorised the Executive Director of Neighbourhoods, Regeneration and Sustainability to progress negotiations in relation to the 3 shortlisted proposals 1 of which was the Windmillcroft Quay project;
- (3) this committee on 26th January 2023 (Print 5, page 551) had approved the outcome of the commercial negotiations and the conclusion of a formal agreement with Speirs Gumley Property Management, on behalf of the co-owners of the waterfront development at Windmillcroft Quay to progress the quay wall project and noted that a procurement procedure would now commence for the works and other associated contracts;
- (4) the Windmillcroft Quay project had sought to address the structural integrity of a 3rd party quay wall, and reintroduced public access at the riverside and the proposed scheme required the introduction of a new structural system adjacent to, and through, existing historic quay wall infrastructure and land, which was in private ownership and throughout the design process, a range of solutions had been developed, assessed, and re-appraised and the agreed design solution had been assessed as the only viable option that was eligible for City Deal investment, or for the Council to lead on;
- (5) in order to take the procurement forward for the Windmillcroft Quay project, a commodity team consisting of stakeholders from the Council's Corporate Procurement Unit, the Chief Executive's Department and Neighbourhoods, Regeneration and Sustainability had been formed to develop the sourcing strategy and deliver the contract;
- (6) it had been agreed that the most appropriate route to market for this procurement exercise would be to utilise the competitive procedure with negotiation and a contract notice was issued in February 2023 with bidders being asked to complete the single procurement document if they wished to be considered for the contract and following an evaluation of the return bids by

the commodity team, 4 bidders were invited to submit a tender response by 12th December 2023 and 2 bids were received;

- (7) following the evaluation of the 2 bids received, the Council had concluded that it had not received a satisfactory tender response and that the prices significantly exceeded the project budget and estimated City Deal funding contribution, as detailed in the report;
- (8) officers had met with the contractors who had submitted tenders for the Windmillcroft Quay works to receive feedback on the procurement exercise and the collective view from these meetings was that there were no suitably substantial value engineering options available to reduce costs, therefore the Council had no option other than to abandon the procurement exercise and any further design development activity for the project, under the City Deal programme; and
- (9) of the next steps.

After consideration, the committee noted

- (a) the report;
- (b) that the formal agreement, between the Council and Speirs Gumley Property Management would now be terminated, on the basis that the Council did not receive a satisfactory tender response and cannot award a works contract;
- (c) that City Deal investment was no longer viable as a solution to the current quay wall situation; and
- (d) that whilst the quay wall and adjacent land were in private ownership, the Council was open to working with relevant parties, to consider what alternative options and solutions might be able to be progressed outwith City Deal, to address the underlying issues.