

Report to	Cabinet
Date of meeting	27 June 2023
Lead Member / Officer	Cllr Jason McLellan: Lead of the Council Tony Ward: Corporate Director, Environment and Economy
Head of Service	Emlyn Jones: Head of Planning, Public Protection & Countryside Services
Report author	Russell Vaughan
Title	Queen's Market- procurement of an operator

1. What is the report about?

- 1.1. Seeking the approval of Cabinet to award a Contract to the preferred supplier for the operation of the Queen's Market.

2. What is the reason for making this report?

- 2.1. A decision is required to award a Contract to the preferred supplier for the operation of the Queen's Market based on the Project Board recommendations as per the Contract Award Recommendation Report (Appendix 1).

3. What are the Recommendations?

- 3.1 That Cabinet approve the award of a Contract to the preferred supplier for the operation of the Queen's Market based on the Project Board recommendations and detail of the Contract Award Recommendation Report.
- 3.2 That the Committee confirms that it has read, understood, and taken account of the Well-being Impact Assessment (Appendix 2) as part of its consideration.

4. Report details

- 4.1. Denbighshire County Council are in the process of constructing Phase I of the Queen's Buildings site in Rhyl, which is the new food / market hall and flexible events space. The Council do not have the capacity or knowledge to run a facility of this kind, so an operator is needed to run the facility on our behalf.
- 4.2. A Delegated Decision was approved in April 2022 (Appendix 3) to commence the procurement process to appoint an operator to run and manage the Queen's Market once developed. An advert was published on Sell2Wales in November 2022 and ran for five weeks, but unfortunately no submissions were received.
- 4.3. Feedback was sought from the fourteen companies that expressed an interest in the opportunity either via Sell2Wales (PROACTIS) or the Rhyl Regeneration microsite, and an options appraisal produced. The Project Board decided on a second attempt at going out to the market, but with a modified two-stage procurement approach.
- 4.4. Prospective suppliers were asked to express their interest, with these suppliers then being sent all relevant tender information. Following the evaluation process, a preferred supplier was selected and recommended by the Project Board (Appendix 4). The preferred supplier has since satisfied all the Council's hardgate and due diligence checks (Appendix 5).
- 4.5. The Project Board is now recommending that the Council appoint the preferred supplier and work with them to deliver the final fit out of the Queen's Market and to agree a strategy and timeline for opening to the public.

5. How does the decision contribute to the Corporate Plan 2022 to 2027: The Denbighshire We Want?

- 5.1. The decision will contribute to the delivery of the Corporate Priority to achieve a prosperous Denbighshire by:
 - Supporting economic growth; and
 - Developing a plan to grow Denbighshire's businesses in the future.

6. What will it cost and how will it affect other services?

- 6.1. To get to this point in the process, a cross-departmental project team have been meeting very regularly to ensure that, whoever is appointed, all relevant departments who may be impacted in any capacity in the future are fully aware and involved in the process. They include Contracts Management, Procurement, Legal, Economic & Business Development (EBD) and Property.
- 6.2. £30k of revenue funding was made available to help fund any consultants, marketing or advertising needed, but the main cost is the time of the officers involved.

7. What are the main conclusions of the Well-being Impact Assessment?

- 7.1. The main conclusions of the assessment are that the proposal will have a positive impact on all of the well-being goals through the provision of a low carbon, fully accessible development which will improve communications and transport infrastructure in a location which will enable residents to access a wider range of services on foot or by cycling, it will have a positive impact on the economy by improving the vitality of the town centre and increasing awareness of employment opportunities in the construction and leisure sectors, and it will improve the attractiveness of the area by removing dereliction and improving community safety.

8. What consultations have been carried out with Scrutiny and others?

- 8.1. The project has been subject to extensive consultation over the past 4 years including Cabinet, CET, SIG, AMG, Rhyl MAG, and Rhyl Town Council.
- 8.2. A project board is in place overseeing the Queen's Buildings projects, which includes the Leader, Lead Member for Finance, Performance & Strategic Assets, Senior Officers, and representation from WG. There are also regular meetings with WG and a multi-departmental project team who meet specifically to progress the operator procurement.

9. Chief Finance Officer Statement

9.1. It is welcome that a preferred supplier for the operation of the Queen's Market which has been a key development and regeneration project for the Council over a number of years. The process has been an exhaustive one which has followed legal, procurement and financial advice. The proposed way forward represents an exciting opportunity with minimal risk to the Council's finances. The report is supported.

10. What risks are there and is there anything we can do to reduce them?

10.1. If a decision to approve the award of a contract to the preferred supplier is not received, the Council will be left with a brand-new food and market hall development in a prominent location in Rhyl Town Centre and promenade, with no identified operator.

10.2. The Council would be responsible for all ongoing costs associated with, but not limited to, utilities, rates, and security, and no experience of running a facility of this kind. There is no revenue earmarked for this within the Council budget.

10.3. Although there will be a period between the contract being awarded and the facility being open, communications will be carefully managed jointly to ensure the public are aware of the timelines and excitement can be built.

11. Power to make the decision.

11.1. General Power of Competence

11.2. Section 5.5: Denbighshire County Council Contract Procedure Rules