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| HOME BUILDING FUND  Homes England  Transactions |
| MONITORING SURVEYOR SERVICES  10 October 2019 |

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| Invitation to Participate in a Mini Competition |
| **Panel Name**: Property Panel |
| **Project Name**: Cuthbury Gardens, Wimborne, Dorset BH21 1YB   |  | | --- | |  |   **Date:**  10th October 2019 |
| **To**: |
| **From: Ian Arnold**  **Homes England**  **Windsor House**  **50 Victoria Street**  **London**  **SW1H 0TL** |
| 1. **Objectives**   Homes England is seeking to appoint a Monitoring Surveying (MS) Firm from its national Multidisciplinary Panel & Property Panel. The appointed Surveyor’s role will include providing initial due diligence and ongoing monitoring of the development works in respect of the loan investment under the Home Building Fund (“THBF”) programme. All work will be instructed under the standard terms of the Homes England Multidisciplinary & Property Panel.  **2. Background**  The Home Building Fund is a £3bn Homes England investment programme created to accelerate and unlock housing developments of at least 5 units in size that have slowed down or stalled. Its main objective is to address difficulties in accessing development finance faced by some housebuilders, particularly in the SME sector, and to help bring forward stalled but viable sites. The fund is 100% recoverable with loan investments made on commercial terms to developers.  Further details of the THBF programme can be found at, <http://www.gov.uk/homebuildingfund>  The Homes England Transactions and Portfolio Management teams require the services of an Independent Monitoring Surveying Firm to provide project cost and monitoring services to support the successful delivery of the Project. The scope of reporting requirements includes:   1. An initial report for each scheme pre-commencement of development; 2. Thereafter monthly monitoring reports until satisfactory scheme completion or loan repayment (whichever is sooner).   The initial report will be instructed by the allocated Homes England Transaction Manager or Executioner, with the results of this report used to confirm that project proposals are acceptable as a condition precedent to funding. Once the facility agreement is executed and construction commences MS services will be retained to provide monthly monitoring reports in line with the attached ‘Scope of Services’. Relations between the MS Firm and Homes England post the initial report will be managed by Homes England Portfolio Management who are responsible for housing output delivery and receipt recovery.     1. **Details of Individual Transaction**   Below is a table of the identified investment transaction which will form this commission.   |  |  | | --- | --- | | **Scheme 1** | **Value/ Details** | | Site Location: | |  | | --- | | Cuthbury Gardens, Wimborne, Dorset BH21 1YB | | | No. of Units: | 203 units (including 79 affordable over 5 phases | | Development Type: | Residential Development plus new football ground | | Total GDV: | £73m | | Total Scheme Costs: | £46.6m (including finance costs) | | HCA Debt Funding (Inc leverage): | £14.486m inc interest | | Construction Period: | 57 Months | | Borrower: | Wyatt Homes Southern Limited | | Building Contractor: | Lewis Wyatt (Construction) Ltd | | Monitoring Method: | Initial Report for each phase prior to its commencement during the nr 5 year time frame + Monthly Progress Reports during each phase (or until HCA repayment) – see table below re proposed phasing timings | | Phase timings | Phase 1 – 20 units – 13 months  Phase 2 – 68 units – 25 months  Phase 3 – 61 units – 26 months  Phase 4 – 22 units – 21 months  Phase 5 – 21 units - 15 months  Note that the development includes moving the existing football club to another site at a cost of £2m alongside Phase 1 and the spend for this will also need to be monitored. |   **4. Scope of Services**  Please see attached to this tender the ‘Scope of Services’ for the MS Tender, which includes details of the Initial Report and on-going Monitoring requirements. The Scope also includes a recommended reporting format.  **5. Project Management and structure of commission**  **Key deliverables** The main objective of the commission is for the Monitoring Surveyor to provide regular reports on progress of the scheme to ensure delivery of the site and repayment of the Homes England loan. The Surveyor will work with both the Borrower and Homes England and will need to attend site progress meetings for each scheme and quarterly meetings with Homes England (or as otherwise deemed appropriate). Individual Transaction Managers will be identified on successful appointment that will be the initial point of contact against each Investment Transaction. Post completion of the initial report the key Homes England relationship will be handed over to an identified Homes England Portfolio Manager.  **Conflicts of Interest**  Prior to instruction the successful MS Firm will be asked to confirm whether there are any potential conflicts of interest. Failure to comply with such requests could lead to an immediate withdrawal of your appointment.  **6. Tender Submission and Assessment Criteria:**  Tender submissions should include the following information:   1. Confirmation that the Scope of Services is understood and accepted; 2. Details of the firms experience which is most relevant to this commission (**ideally evidencing Grade II-Listed conversions as well as new-build residential**); 3. CVs for the key personnel who will deliver this commission; 4. Conflicts of interest acknowledgements; 5. Fixed fee proposals for completing,   – A) each Initial Report  – B) each Monthly Report  Please provide a fixed fee price schedule against the individual project value of works;  **Initial Reports: £**  **Monthly Monitoring: £**  The Homes England reserves the right not to award this contract to any tenderer and not to award to the lowest priced tenderer. All eligible bids will be assessed using a 70:30 Price:Quality evaluation framework.  For further details on the ‘Quality’ evaluation framework please see Appendix 1 |
| **7. Submission Requirements**  Tenderers must return their proposals by submitting via the ProContract / E-Tendering portal in electronic format by no later than **5pm, 17th October 2019**.  Following completion of the competition the HCA will provide debriefs or feedback to every tenderer, both successful and unsuccessful. It should be made clear that this debriefing will not change the award decision. |
| **9. Date of response required: 17th October 2019 or earlier** |
| **10. Queries**  General or technical queries regarding this invitation should be directed to Homes England by telephone or email. If you would like to discuss the invitation further, please contact any of the following:  Name: Ian Arnold Email/ Phone: [ian.arnold@homesengland.gov.uk](mailto:ian.arnold@homesengland.gov.uk) / 0207 393 2305 |