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| HOME BUILDING FUND  HCA-I TRANSACTIONS  SOUTH EAST |
| MONITORING SURVEYOR SERVICES  2nd October 2020 |

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| Invitation to Participate in a Mini Competition |
| **Panel Name**: Property Panel |
| **Project Name**: Rusper, Horsham, Surrey  **Date:**  2 October 2020 |
| **To**: Property Panel |
| **From:**  **Homes England**  **Windsor House**  **42-50 Victoria Street**  **LondonSW1H 0TL** |
| 1. **Objectives**   Homes England, formerly known as the Homes and Communities Agency (‘HCA’) is seeking to appoint a Monitoring Surveying (MS) Firm from its national 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 Property Professional Services Framework 2018-22.  **2. Background**  The Home Building Fund is a £3bn HCA-I 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 HCA-I 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 HCA-I Transaction Manager, 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 HCA-I post the initial report will be managed by HCA-I Portfolio Management who are responsible for housing output delivery and receipt recovery.     1. **Details of Individual Transactions**   Below is a table of the identified investment transactions which will form this commission. These have been split between those with HCA-I Credit Approval in place and proceeding through Legal Documentation, and those where Credit Approval is outstanding. Appointments will be phased in line with Credit Approvals and conclusion of Legal Documentation.   |  |  | | --- | --- | | **Scheme 1** | **Value/ Details** | | Site Location: | East Street,  Rusper, Horsham, RH12 4RB | | No. of Units: | 6 x 2 bed flats (Plot A) in a single block.  2 x site enabling works to create 2 service ready plots for future phase to build 5 bed houses (Plots B & C). See below. | | Development Type: | Residential Development | | Total GDV: | £2,750,000  (Not including Plots B & C) | | Total Scheme Costs: | Construction contract: £1,750k  Total Scheme costs (less land): £2,126k | | HCA Debt Funding: | £1,907,500 (plus interest & finance costs) | | Construction Period: | 18 Months build period has been forecasted by the developer. | | Borrower: | xx | | Building Contractor: | xx | | Monitoring Method: | Initial Report + Monthly Progress Reports  x 18 (or until HCA repayment / requirement)  MS is required to monitor the progress / report on the programme for all 3 plots, as the build costs include plots B & C. |   **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 HCA loan. The Surveyor will work with both the Borrower and HCA-I and will need to attend site progress meetings for each scheme and quarterly meetings with HCA-I (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 HCA-I relationship will be handed over to an identified HCA-I 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 HCA 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.  **PLEASE NOTE: SUBMISSIONS MAY ONLY USE THE HCA STANDARD TENDER LABEL, AS SUPPLIED. NO IDENTIFYING ELEMENTS OF YOUR COMPANY MAY BE VISIBLE, INCLUDING LOGOS AND POSTMARKS. FAILURE TO COMPLY WITH THIS MAY MAKE YOUR SUBMISSION INELIGIBLE.** 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: Friday 9th October at 12 noon.** |
| **10. Queries**  General or technical queries regarding this invitation should be directed to HCA by telephone or email. If you would like to discuss the invitation further, please contact any of the following:  Name:  Email/ Phone: |